

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 10-Q

☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended September 30, 2025

or

☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____
Commission file number 1-3950

Ford Motor Company

(Exact name of Registrant as specified in its charter)

Delaware
(State of incorporation)

38-0549190
(I.R.S. Employer Identification No.)

**One American Road
Dearborn, Michigan**
(Address of principal executive offices)

48126
(Zip code)

313-322-3000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbols	Name of each exchange on which registered
Common Stock, par value \$.01 per share	F	New York Stock Exchange
6.200% Notes due June 1, 2059	FPRB	New York Stock Exchange
6.000% Notes due December 1, 2059	FPRC	New York Stock Exchange
6.500% Notes due August 15, 2062	FPRD	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 21, 2025, Ford Motor Company had outstanding 3,913,646,490 shares of Common Stock and 70,852,076 shares of Class B Stock.

Exhibit Index begins on page [70](#)

FORD MOTOR COMPANY
QUARTERLY REPORT ON FORM 10-Q
For the Quarter Ended September 30, 2025

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements.

FORD MOTOR COMPANY AND SUBSIDIARIES CONSOLIDATED INCOME STATEMENTS (in millions, except per share amounts)

	For the periods ended September 30,			
	2024	2025	2024	2025
	Third Quarter		First Nine Months	
	(unaudited)			
Revenues				
Company excluding Ford Credit	\$ 43,069	\$ 47,185	\$ 127,770	\$ 131,550
Ford Credit	3,127	3,349	9,011	9,827
Total revenues (Note 3)	46,196	50,534	136,781	141,377
Costs and expenses				
Cost of sales	40,168	43,411	117,133	122,844
Selling, administrative, and other expenses	2,456	2,740	7,510	7,877
Ford Credit interest, operating, and other expenses	2,692	2,825	8,150	8,268
Total costs and expenses	45,316	48,976	132,793	138,989
Operating income/(loss)	880	1,558	3,988	2,388
Interest expense on Company debt excluding Ford Credit	272	321	820	906
Other income/(loss), net (Note 4)	114	560	1,240	1,633
Equity in net income/(loss) of affiliated companies	147	21	511	(135)
Income/(Loss) before income taxes	869	1,818	4,919	2,980
Provision for/(Benefit from) income taxes	(27)	(630)	856	88
Net income/(loss)	896	2,448	4,063	2,892
Less: Income/(Loss) attributable to noncontrolling interests	4	1	8	10
Net income/(loss) attributable to Ford Motor Company	\$ 892	\$ 2,447	\$ 4,055	\$ 2,882
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO FORD MOTOR COMPANY COMMON AND CLASS B STOCK (Note 6)				
Basic income/(loss)	\$ 0.22	\$ 0.61	\$ 1.02	\$ 0.72
Diluted income/(loss)	0.22	0.60	1.01	0.72
Weighted-average shares used in computation of earnings/(loss) per share				
Basic shares	3,976	3,983	3,980	3,977
Diluted shares	4,018	4,048	4,020	4,026

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (in millions)

	For the periods ended September 30,			
	2024	2025	2024	2025
	Third Quarter		First Nine Months	
	(unaudited)			
Net income/(loss)	\$ 896	\$ 2,448	\$ 4,063	\$ 2,892
Other comprehensive income/(loss), net of tax (Note 16)				
Foreign currency translation	431	28	(204)	1,821
Marketable securities	180	24	200	127
Derivative instruments	(292)	291	(44)	(248)
Pension and other postretirement benefits	50	26	101	65
Total other comprehensive income/(loss), net of tax	369	369	53	1,765
Comprehensive income/(loss)	1,265	2,817	4,116	4,657
Less: Comprehensive income/(loss) attributable to noncontrolling interests	5	1	8	9
Comprehensive income/(loss) attributable to Ford Motor Company	\$ 1,260	\$ 2,816	\$ 4,108	\$ 4,648

The accompanying notes are part of the consolidated financial statements.

FORD MOTOR COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in millions)

	December 31, 2024	September 30, 2025
	(unaudited)	
ASSETS		
Cash and cash equivalents (Note 7)	\$ 22,935	\$ 26,788
Marketable securities (Note 7)	15,413	15,400
Ford Credit finance receivables, net of allowance for credit losses of \$247 and \$259 (Note 8)	51,850	48,214
Trade and other receivables, less allowances of \$84 and \$103	14,723	19,199
Inventories (Note 9)	14,951	16,509
Other assets	4,602	4,610
Total current assets	124,474	130,720
Ford Credit finance receivables, net of allowance for credit losses of \$617 and \$638 (Note 8)	59,786	60,147
Net investment in operating leases	22,947	27,045
Net property	41,928	44,735
Equity in net assets of affiliated companies	6,821	5,359
Deferred income taxes	16,375	18,196
Other assets	12,865	14,788
Total assets	<u>\$ 285,196</u>	<u>\$ 300,990</u>
LIABILITIES		
Payables	\$ 24,128	\$ 27,868
Other liabilities and deferred revenue (Note 10 and Note 18)	27,782	31,152
Debt payable within one year (Note 12)		
Company excluding Ford Credit	1,756	3,918
Ford Credit	53,193	53,710
Total current liabilities	106,859	116,648
Other liabilities and deferred revenue (Note 10 and Note 18)	28,832	30,961
Long-term debt (Note 12)		
Company excluding Ford Credit	18,898	17,857
Ford Credit	84,675	86,455
Deferred income taxes	1,074	1,652
Total liabilities	240,338	253,573
EQUITY		
Common Stock, par value \$0.01 per share (4,132 million shares issued of 6 billion authorized)	41	41
Class B Stock, par value \$0.01 per share (71 million shares issued of 530 million authorized)	1	1
Capital in excess of par value of stock	23,502	23,847
Retained earnings	33,740	34,186
Accumulated other comprehensive income/(loss) (Note 16)	(9,639)	(7,873)
Treasury stock	(2,810)	(2,810)
Total equity attributable to Ford Motor Company	44,835	47,392
Equity attributable to noncontrolling interests	23	25
Total equity	<u>44,858</u>	<u>47,417</u>
Total liabilities and equity	<u>\$ 285,196</u>	<u>\$ 300,990</u>

The following table includes assets to be used to settle liabilities of the consolidated variable interest entities ("VIEs"). These assets and liabilities are included in the consolidated balance sheets above.

	December 31, 2024	September 30, 2025
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 2,494	\$ 2,492
Ford Credit finance receivables, net	60,717	59,314
Net investment in operating leases	13,309	12,538
Other assets	34	14
LIABILITIES		
Other liabilities and deferred revenue	\$ 100	\$ 81
Debt	50,855	48,225

The accompanying notes are part of the consolidated financial statements.

FORD MOTOR COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	For the periods ended September 30,	
	2024	2025
	First Nine Months (unaudited)	
Cash flows from operating activities		
Net income/(loss)	\$ 4,063	\$ 2,892
Depreciation and tooling amortization	5,636	5,722
Other amortization	(1,219)	(1,382)
Provision for credit and insurance losses	433	477
Pension and other postretirement employee benefits ("OPEB") expense/(income) (Note 11)	689	277
Equity method investment (earnings)/losses and impairments in excess of dividends received	(216)	312
Foreign currency adjustments	296	(2)
Net realized and unrealized (gains)/losses on cash equivalents, marketable securities, and other investments (Note 4)	25	(63)
Stock compensation	404	409
Provision for/(Benefit from) deferred income taxes	(329)	(521)
Decrease/(Increase) in finance receivables (wholesale and other)	(2,739)	2,605
Decrease/(Increase) in accounts receivable and other assets	(2,046)	(3,677)
Decrease/(Increase) in inventory	(2,338)	(705)
Increase/(Decrease) in accounts payable and accrued and other liabilities	9,386	10,631
Other	350	423
Net cash provided by/(used in) operating activities	12,395	17,398
Cash flows from investing activities		
Capital spending	(6,186)	(6,031)
Acquisitions of finance receivables and operating leases	(44,942)	(40,033)
Collections of finance receivables and operating leases	33,855	34,307
Purchases of marketable securities and other investments	(8,501)	(7,205)
Sales and maturities of marketable securities and other investments	10,611	7,506
Settlements of derivatives	(174)	(341)
Capital contributions to equity method investments	(2,200)	(442)
Returns of capital from equity method investments (Note 17)	25	1,701
Other	3	150
Net cash provided by/(used in) investing activities	(17,509)	(10,388)
Cash flows from financing activities		
Cash payments for dividends and dividend equivalents	(2,522)	(2,390)
Purchases of common stock	(276)	—
Net changes in short-term debt	(1,233)	(406)
Proceeds from issuance of long-term debt	43,579	36,979
Payments of long-term debt	(35,563)	(37,541)
Other	(290)	(200)
Net cash provided by/(used in) financing activities	3,695	(3,558)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	35	442
Net increase/(decrease) in cash, cash equivalents, and restricted cash	\$ (1,384)	\$ 3,894
Cash, cash equivalents, and restricted cash at beginning of period (Note 7)	\$ 25,110	\$ 23,190
Net increase/(decrease) in cash, cash equivalents, and restricted cash	(1,384)	3,894
Cash, cash equivalents, and restricted cash at end of period (Note 7)	\$ 23,726	\$ 27,084

The accompanying notes are part of the consolidated financial statements.

FORD MOTOR COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(in millions, unaudited)

	Equity Attributable to Ford Motor Company						Equity Attributable to Non-controlling Interests	Total Equity
	Capital Stock	Cap. in Excess of Par Value of Stock	Retained Earnings	Accumulated Other Comprehensive Income/(Loss) (Note 16)	Treasury Stock	Total		
Balance at December 31, 2023	\$ 42	\$ 23,128	\$ 31,029	\$ (9,042)	\$ (2,384)	\$ 42,773	\$ 25	\$ 42,798
Net income/(loss)	—	—	1,332	—	—	1,332	2	1,334
Other comprehensive income/(loss), net	—	—	—	110	—	110	—	110
Common Stock issued (a)	—	(3)	—	—	—	(3)	—	(3)
Treasury stock/other	—	—	—	—	—	—	—	—
Dividends and dividend equivalents declared (\$0.33 per share) (b)	—	—	(1,342)	—	—	(1,342)	—	(1,342)
Balance at March 31, 2024	\$ 42	\$ 23,125	\$ 31,019	\$ (8,932)	\$ (2,384)	\$ 42,870	\$ 27	\$ 42,897
Net income/(loss)	—	—	1,831	—	—	1,831	2	1,833
Other comprehensive income/(loss), net	—	—	—	(425)	—	(425)	(1)	(426)
Common Stock issued (a)	—	145	—	—	—	145	—	145
Treasury stock/other	—	—	—	—	(244)	(244)	—	(244)
Dividends and dividend equivalents declared (\$0.15 per share) (b)	—	—	(610)	—	—	(610)	—	(610)
Balance at June 30, 2024	\$ 42	\$ 23,270	\$ 32,240	\$ (9,357)	\$ (2,628)	\$ 43,567	\$ 28	\$ 43,595
Net income/(loss)	—	—	892	—	—	892	4	896
Other comprehensive income/(loss), net	—	—	—	368	—	368	1	369
Common stock issued (a)	—	127	—	—	—	127	—	127
Treasury stock/other	—	—	—	—	(32)	(32)	(9)	(41)
Dividends and dividend equivalents declared (\$0.15 per share) (b)	—	—	(607)	—	—	(607)	—	(607)
Balance at September 30, 2024	\$ 42	\$ 23,397	\$ 32,525	\$ (8,989)	\$ (2,660)	\$ 44,315	\$ 24	\$ 44,339
Balance at December 31, 2024	\$ 42	\$ 23,502	\$ 33,740	\$ (9,639)	\$ (2,810)	\$ 44,835	\$ 23	\$ 44,858
Net income/(loss)	—	—	471	—	—	471	2	473
Other comprehensive income/(loss), net	—	—	—	481	—	481	—	481
Common Stock issued (a)	—	60	—	—	—	60	—	60
Treasury stock/other	—	—	—	—	—	—	—	—
Dividends and dividend equivalents declared (\$0.30 per share) (b)	—	—	(1,212)	—	—	(1,212)	—	(1,212)
Balance at March 31, 2025	\$ 42	\$ 23,562	\$ 32,999	\$ (9,158)	\$ (2,810)	\$ 44,635	\$ 25	\$ 44,660
Net income/(loss)	—	—	(36)	—	—	(36)	7	(29)
Other comprehensive income/(loss), net	—	—	—	916	—	916	(1)	915
Common Stock issued (a)	—	153	—	—	—	153	—	153
Treasury stock/other	—	—	—	—	—	—	—	—
Dividends and dividend equivalents declared (\$0.15 per share) (b)	—	—	(611)	—	—	(611)	(7)	(618)
Balance at June 30, 2025	\$ 42	\$ 23,715	\$ 32,352	\$ (8,242)	\$ (2,810)	\$ 45,057	\$ 24	\$ 45,081
Net income/(loss)	—	—	2,447	—	—	2,447	1	2,448
Other comprehensive income/(loss), net	—	—	—	369	—	369	—	369
Common stock issued (a)	—	132	—	—	—	132	—	132
Treasury stock/other	—	—	—	—	—	—	—	—
Dividends and dividend equivalents declared (\$0.15 per share) (b)	—	—	(613)	—	—	(613)	—	(613)
Balance at September 30, 2025	\$ 42	\$ 23,847	\$ 34,186	\$ (7,873)	\$ (2,810)	\$ 47,392	\$ 25	\$ 47,417

(a) Includes impact of share-based compensation.

(b) Dividends and dividend equivalents declared for Common and Class B Stock. In the first quarter of 2024 and 2025, in addition to a regular dividend of \$0.15 per share, we declared a supplemental dividend of \$0.18 per share and \$0.15 per share, respectively.

The accompanying notes are part of the consolidated financial statements.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

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FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. PRESENTATION

For purposes of this report, “Ford,” the “Company,” “we,” “our,” “us,” or similar references mean Ford Motor Company, our consolidated subsidiaries, and our consolidated VIEs of which we are the primary beneficiary, unless the context requires otherwise. We also make reference to Ford Motor Credit Company LLC, herein referenced to as Ford Credit. Our consolidated financial statements are presented in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information, instructions to the Quarterly Report on Form 10-Q, and Rule 10-01 of Regulation S-X. We reclassified certain prior year amounts in our consolidated financial statements to conform to the current year presentation.

In the opinion of management, these unaudited financial statements include all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of our results of operations and financial condition for the periods, and at the dates, presented. The results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year. Reference should be made to the financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2024 (“2024 Form 10-K Report”).

NOTE 2. NEW ACCOUNTING STANDARDS

Adoption of New Accounting Standards

Accounting Standards Updates (“ASUs”) adopted during 2025 did not have a material impact to our consolidated financial statements or financial statement disclosures.

Accounting Standards Issued But Not Yet Adopted

ASU 2023-09, Improvements to Income Tax Disclosures. In December 2023, the Financial Accounting Standards Board (“FASB”) issued a new accounting standard to enhance the transparency and decision usefulness of income tax disclosures. The new standard is effective for our 2025 annual financial statements and will be reflected therein, primarily related to the effective tax rate reconciliation and cash paid for income taxes. There will be no impact to our consolidated income statements, balance sheets, or statements of cash flows.

ASU 2024-03, Disaggregation of Income Statement Expenses (“DISE”). In November 2024, the FASB issued a new accounting standard to improve the disclosures about an entity’s expenses and address requests from investors for more detailed information about the types of expenses included in commonly presented expense captions. The new standard is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with retrospective application permitted. We are assessing the effect on our consolidated financial statement disclosures; however, adoption will not impact our consolidated income statements, balance sheets, or statements of cash flows.

All other ASUs issued but not yet adopted were assessed and determined to be not applicable or are not expected to have a material impact on our consolidated financial statements or financial statement disclosures.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. REVENUE

The following tables disaggregate our revenue by major source for the periods ended September 30 (in millions):

Third Quarter 2024			
	Company excluding Ford Credit	Ford Credit	Consolidated
Vehicles, parts, and accessories	\$ 41,665	\$ —	\$ 41,665
Used vehicles	532	—	532
Services and other revenue (a)	818	23	841
Revenues from sales and services	43,015	23	43,038
Leasing income	54	1,065	1,119
Financing income	—	2,002	2,002
Insurance income	—	37	37
Total revenues	\$ 43,069	\$ 3,127	\$ 46,196
Third Quarter 2025			
	Company excluding Ford Credit	Ford Credit	Consolidated
Vehicles, parts, and accessories	\$ 45,492	\$ —	\$ 45,492
Used vehicles	687	—	687
Services and other revenue (a)	902	24	926
Revenues from sales and services	47,081	24	47,105
Leasing income	104	1,245	1,349
Financing income	—	2,040	2,040
Insurance income	—	40	40
Total revenues	\$ 47,185	\$ 3,349	\$ 50,534
First Nine Months 2024			
	Company excluding Ford Credit	Ford Credit	Consolidated
Vehicles, parts, and accessories	\$ 123,852	\$ —	\$ 123,852
Used vehicles	1,531	—	1,531
Services and other revenue (a)	2,232	85	2,317
Revenues from sales and services	127,615	85	127,700
Leasing income	155	3,112	3,267
Financing income	—	5,710	5,710
Insurance income	—	104	104
Total revenues	\$ 127,770	\$ 9,011	\$ 136,781
First Nine Months 2025			
	Company excluding Ford Credit	Ford Credit	Consolidated
Vehicles, parts, and accessories	\$ 126,561	\$ —	\$ 126,561
Used vehicles	2,152	—	2,152
Services and other revenue (a)	2,589	61	2,650
Revenues from sales and services	131,302	61	131,363
Leasing income	248	3,552	3,800
Financing income	—	6,094	6,094
Insurance income	—	120	120
Total revenues	\$ 131,550	\$ 9,827	\$ 141,377

(a) Includes extended service contract revenue.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. REVENUE (Continued)

The amount of consideration we receive and revenue we recognize on our vehicles, parts, and accessories varies with changes in return rights, marketing incentives we offer to our customers and their customers, and other pricing adjustments. Estimates of marketing incentives and other pricing adjustments are based on our expectation of retail and fleet sales volumes, mix of products to be sold, competitor actions, and incentive programs to be offered. Customer acceptance of products and programs, as well as other market conditions, will impact these estimates. As a result of changes in our estimate of variable consideration (e.g., marketing incentives), we recorded a decrease in revenue of \$329 million in the third quarter of 2024 and an increase in revenue of \$163 million in the third quarter of 2025 related to revenue recognized in prior periods.

We had a balance of \$5.3 billion and \$6.0 billion of unearned revenue associated primarily with outstanding extended service contracts reported in *Other liabilities and deferred revenue* at December 31, 2024 and September 30, 2025, respectively. We expect to recognize approximately \$500 million of the unearned amount in the remainder of 2025, \$1.8 billion in 2026, and \$3.7 billion thereafter. We recognized \$472 million and \$525 million of unearned amounts from prior years as revenue during the third quarter of 2024 and 2025, respectively, and \$1.3 billion and \$1.5 billion in the first nine months of 2024 and 2025, respectively.

Amounts paid to dealers to obtain extended service contracts are deferred and recorded as *Other assets*. Our deferred cost balances were \$312 million and \$314 million as of December 31, 2024 and September 30, 2025, respectively. We recognized \$26 million and \$27 million of amortization during the third quarter of 2024 and 2025, respectively, and \$79 million in both the first nine months of 2024 and 2025.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. OTHER INCOME/(LOSS)

The amounts included in *Other income/(loss)*, net for the periods ended September 30 were as follows (in millions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Net periodic pension and OPEB income/(cost), excluding service cost (Note 11)	\$ (347)	\$ 19	\$ (266)	\$ 44
Investment-related interest income	367	379	1,144	1,098
Interest income/(expense) on income taxes	(1)	(7)	(24)	(23)
Realized and unrealized gains/(losses) on cash equivalents, marketable securities, and other investments	(17)	20	(25)	63
Gains/(Losses) on changes in investments in affiliates	66	—	90	8
Royalty income	123	121	360	335
Other	(77)	28	(39)	108
Total	<u>\$ 114</u>	<u>\$ 560</u>	<u>\$ 1,240</u>	<u>\$ 1,633</u>

NOTE 5. INCOME TAXES

For interim tax reporting, we estimate one single effective tax rate for tax jurisdictions not subject to a valuation allowance, which is applied to the year-to-date ordinary income/(loss). Tax effects of significant unusual or infrequently occurring items are excluded from the estimated annual effective tax rate calculation and recognized in the interim period in which they occur.

Our *Provision for/(Benefit from) income taxes* for the third quarter and first nine months of 2025 was a benefit of \$630 million and a provision of \$88 million, respectively. This resulted in an effective tax rate of negative 34.7% for the third quarter and 3.0% for the first nine months. During the third quarter, these rates were impacted by a net benefit of \$1.4 billion associated with the release of a valuation allowance resulting from improvements in our South American operations. The third quarter and first nine months rates were also impacted by a non-cash charge of \$424 million to deferred tax assets to recognize the impact of tax legislation enacted in Germany during the quarter. In addition, the nine-month rate was impacted by a non-cash charge of \$471 million to deferred tax assets recorded in the second quarter associated with resolving transfer pricing matters in certain non-U.S. operations.

On July 4, 2025, P.L. 119-21 (otherwise known as the “One Big Beautiful Bill Act”) was signed into law. We have analyzed the provisions within the act and determined there was no material impact in the third quarter of 2025, nor do we expect a material impact on our 2025 consolidated financial statements.

NOTE 6. CAPITAL STOCK AND EARNINGS/(LOSS) PER SHARE**Earnings/(Loss) Per Share Attributable to Ford Motor Company Common and Class B Stock**

Basic and diluted earnings/(loss) per share were calculated using the following (in millions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Net income/(loss) attributable to Ford Motor Company	\$ 892	\$ 2,447	\$ 4,055	\$ 2,882
Basic and Diluted Shares				
Basic shares (average shares outstanding)	3,976	3,983	3,980	3,977
Net dilutive options, unvested restricted stock units, unvested restricted stock shares, and convertible debt	42	65	40	49
Diluted shares	<u>4,018</u>	<u>4,048</u>	<u>4,020</u>	<u>4,026</u>

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. CASH, CASH EQUIVALENTS, AND MARKETABLE SECURITIES

The fair values of cash, cash equivalents, and marketable securities measured at fair value on a recurring basis were as follows (in millions):

December 31, 2024				
	Fair Value Level	Company excluding Ford Credit	Ford Credit	Consolidated
Cash and cash equivalents				
U.S. government	1	\$ 1,099	\$ 854	\$ 1,953
U.S. government agencies	2	2,529	400	2,929
Non-U.S. government and agencies	2	1,073	370	1,443
Corporate debt	2	659	339	998
Total marketable securities classified as cash equivalents		5,360	1,963	7,323
Cash, time deposits, and money market funds		8,303	7,309	15,612
Total cash and cash equivalents		<u>\$ 13,663</u>	<u>\$ 9,272</u>	<u>\$ 22,935</u>
Marketable securities				
U.S. government	1	\$ 3,530	\$ 185	\$ 3,715
U.S. government agencies	2	1,691	—	1,691
Non-U.S. government and agencies	2	2,272	79	2,351
Corporate debt	2	6,676	252	6,928
Equities	1	22	—	22
Other marketable securities	2	516	190	706
Total marketable securities		<u>\$ 14,707</u>	<u>\$ 706</u>	<u>\$ 15,413</u>
Restricted cash		\$ 120	\$ 88	\$ 208
Cash, cash equivalents, and restricted cash - held for sale (Note 15)		\$ 47	\$ —	\$ 47
September 30, 2025				
	Fair Value Level	Company excluding Ford Credit	Ford Credit	Consolidated
Cash and cash equivalents				
U.S. government	1	\$ 1,424	\$ 162	\$ 1,586
U.S. government agencies	2	1,809	—	1,809
Non-U.S. government and agencies	2	4,877	818	5,695
Corporate debt	2	1,066	882	1,948
Total marketable securities classified as cash equivalents		9,176	1,862	11,038
Cash, time deposits, and money market funds		8,848	6,902	15,750
Total cash and cash equivalents		<u>\$ 18,024</u>	<u>\$ 8,764</u>	<u>\$ 26,788</u>
Marketable securities				
U.S. government	1	\$ 3,680	\$ 242	\$ 3,922
U.S. government agencies	2	1,458	—	1,458
Non-U.S. government and agencies	2	2,230	90	2,320
Corporate debt	2	6,847	250	7,097
Equities	1	—	—	—
Other marketable securities	2	432	171	603
Total marketable securities		<u>\$ 14,647</u>	<u>\$ 753</u>	<u>\$ 15,400</u>
Restricted cash		\$ 189	\$ 107	\$ 296
Cash, cash equivalents, and restricted cash - held for sale		\$ —	\$ —	\$ —

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. CASH, CASH EQUIVALENTS, AND MARKETABLE SECURITIES (Continued)

The cash equivalents and marketable securities accounted for as available-for-sale ("AFS") securities were as follows (in millions):

December 31, 2024								
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Fair Value of Securities with Contractual Maturities			
					Within 1 Year	After 1 Year through 5 Years	After 5 Years	
Company excluding Ford Credit								
U.S. government	\$ 3,476	\$ 1	\$ (27)	\$ 3,450	\$ 282	\$ 3,168	\$ —	
U.S. government agencies	1,755	1	(30)	1,726	697	1,010	19	
Non-U.S. government and agencies	2,039	1	(39)	2,001	559	1,429	13	
Corporate debt	7,295	35	(21)	7,309	2,272	5,033	4	
Other marketable securities	486	3	(1)	488	—	411	77	
Total	<u>\$ 15,051</u>	<u>\$ 41</u>	<u>\$ (118)</u>	<u>\$ 14,974</u>	<u>\$ 3,810</u>	<u>\$ 11,051</u>	<u>\$ 113</u>	
September 30, 2025								
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Fair Value of Securities with Contractual Maturities			
					Within 1 Year	After 1 Year through 5 Years	After 5 Years	
Company excluding Ford Credit								
U.S. government	\$ 3,593	\$ 21	\$ (4)	\$ 3,610	\$ 198	\$ 3,412	\$ —	
U.S. government agencies	1,495	5	(11)	1,489	301	1,179	9	
Non-U.S. government and agencies	1,956	12	(12)	1,956	523	1,424	9	
Corporate debt	7,811	73	(2)	7,882	2,854	4,981	47	
Other marketable securities	402	4	—	406	1	372	33	
Total	<u>\$ 15,257</u>	<u>\$ 115</u>	<u>\$ (29)</u>	<u>\$ 15,343</u>	<u>\$ 3,877</u>	<u>\$ 11,368</u>	<u>\$ 98</u>	

Sales proceeds and gross realized gains/losses from the sale of AFS securities for the periods ended September 30 were as follows (in millions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Company excluding Ford Credit				
Sales proceeds	\$ 3,300	\$ 736	\$ 9,734	\$ 4,177
Gross realized gains	10	3	15	12
Gross realized losses	10	—	26	4

We determine credit losses on AFS debt securities using the specific identification method. During the first nine months of 2025, we did not recognize any credit loss. The unrealized losses on securities are due to changes in interest rates and market liquidity.

Cash, Cash Equivalents, and Restricted Cash

Cash, cash equivalents, and restricted cash, as reported on our consolidated statements of cash flows, were as follows (in millions):

	December 31, 2024	September 30, 2025
Cash and cash equivalents	\$ 22,935	\$ 26,788
Restricted cash (a)	208	296
Cash, cash equivalents, and restricted cash - held for sale (Note 15)	47	—
Total cash, cash equivalents, and restricted cash	<u>\$ 23,190</u>	<u>\$ 27,084</u>

(a) Included in *Other assets* in the non-current assets section of our consolidated balance sheets.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. FORD CREDIT FINANCE RECEIVABLES AND ALLOWANCE FOR CREDIT LOSSES

Ford Credit manages finance receivables as “consumer” and “non-consumer” portfolios. The receivables are generally secured by the vehicles, inventory, or other property being financed.

Finance receivables are recorded at the time of origination or purchase at fair value and are subsequently reported at amortized cost, net of any allowance for credit losses.

For all finance receivables, Ford Credit defines “past due” as any payment, including principal and interest, that is at least 31 days past the contractual due date.

Ford Credit finance receivables, net were as follows (in millions):

	December 31, 2024	September 30, 2025
Consumer		
Retail installment contracts, gross	\$ 79,459	\$ 78,884
Finance leases, gross	8,357	9,287
Retail financing, gross	87,816	88,171
Unearned interest supplements	(4,598)	(4,333)
Consumer finance receivables	83,218	83,838
Non-Consumer		
Dealer financing	29,282	25,420
Non-Consumer finance receivables	29,282	25,420
Total recorded investment	\$ 112,500	\$ 109,258
Recorded investment in finance receivables	\$ 112,500	\$ 109,258
Allowance for credit losses	(864)	(897)
Total finance receivables, net	\$ 111,636	\$ 108,361
Current portion	\$ 51,850	\$ 48,214
Non-current portion	59,786	60,147
Total finance receivables, net	\$ 111,636	\$ 108,361
Net finance receivables subject to fair value (a)	\$ 103,755	\$ 99,610
Fair value (b)	103,231	100,501

(a) Net finance receivables subject to fair value exclude finance leases.

(b) The fair value of finance receivables is categorized within Level 3 of the fair value hierarchy.

Ford Credit’s finance leases are comprised of sales-type and direct financing leases. Financing revenue from finance leases for the third quarter of 2024 and 2025 was \$137 million and \$146 million, respectively, and for the first nine months of 2024 and 2025 was \$376 million and \$431 million, respectively, and is included in *Ford Credit revenues* on our consolidated income statements.

At December 31, 2024 and September 30, 2025, accrued interest was \$335 million and \$288 million, respectively, which we report in *Other assets* in the current assets section of our consolidated balance sheets.

Included in the recorded investment in finance receivables at December 31, 2024 and September 30, 2025 were consumer receivables of \$47.6 billion and \$46.2 billion, respectively, and non-consumer receivables of \$24.4 billion and \$22.8 billion, respectively, (including Ford Blue, Ford Model e, and Ford Pro receivables sold to Ford Credit, which we report in *Trade and other receivables*) that have been sold for legal purposes in securitization transactions but continue to be reported in our consolidated financial statements. The receivables are available only for payment of the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions; they are not available to pay the other obligations or the claims of Ford Credit’s other creditors. Ford Credit holds the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. FORD CREDIT FINANCE RECEIVABLES AND ALLOWANCE FOR CREDIT LOSSES (Continued)**Credit Quality**

Consumer Portfolio. Credit quality ratings for consumer receivables are based on aging. Receivables over 60 days past due are in intensified collection status.

The credit quality analysis of consumer receivables at December 31, 2024 and gross charge-offs during the year ended December 31, 2024 were as follows (in millions):

	Amortized Cost Basis by Origination Year						Total	Percent
	Prior to 2020	2020	2021	2022	2023	2024		
Consumer								
31 - 60 days past due	\$ 43	\$ 93	\$ 104	\$ 187	\$ 242	\$ 203	\$ 872	1.0%
Greater than 60 days past due	15	27	35	57	82	59	275	0.4
Total past due	58	120	139	244	324	262	1,147	1.4
Current	788	3,162	5,458	12,275	24,153	36,235	82,071	98.6
Total	\$ 846	\$ 3,282	\$ 5,597	\$ 12,519	\$ 24,477	\$ 36,497	\$ 83,218	100.0%
Gross charge-offs	\$ 46	\$ 58	\$ 71	\$ 152	\$ 191	\$ 50	\$ 568	

The credit quality analysis of consumer receivables at September 30, 2025 and gross charge-offs during the first nine months of 2025 were as follows (in millions):

	Amortized Cost Basis by Origination Year						Total	Percent
	Prior to 2021	2021	2022	2023	2024	2025		
Consumer								
31 - 60 days past due	\$ 67	\$ 67	\$ 136	\$ 201	\$ 237	\$ 95	\$ 803	1.0%
Greater than 60 days past due	23	25	48	67	77	41	281	0.3
Total past due	90	92	184	268	314	136	1,084	1.3
Current	1,629	2,880	7,632	17,410	29,372	23,831	82,754	98.7
Total	\$ 1,719	\$ 2,972	\$ 7,816	\$ 17,678	\$ 29,686	\$ 23,967	\$ 83,838	100.0%
Gross charge-offs	\$ 44	\$ 43	\$ 96	\$ 142	\$ 148	\$ 17	\$ 490	

Non-Consumer Portfolio. The credit quality of dealer financing receivables is evaluated based on Ford Credit's internal dealer risk rating analysis. Ford Credit uses a proprietary model to assign each dealer a risk rating. This model uses historical dealer performance data to identify key factors about a dealer that are considered most significant in predicting a dealer's ability to meet its financial obligations. Ford Credit also considers numerous other financial and qualitative factors of the dealer's operations, including capitalization and leverage, liquidity and cash flow, profitability, and credit history with Ford Credit and other creditors.

Dealers are assigned to one of four groups according to risk ratings as follows:

- *Group I* – strong to superior financial metrics;
- *Group II* – fair to favorable financial metrics;
- *Group III* – marginal to weak financial metrics; and
- *Group IV* – poor financial metrics, including dealers classified as uncollectible.

Ford Credit generally suspends credit lines and extends no further funding to dealers classified in Group IV.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. FORD CREDIT FINANCE RECEIVABLES AND ALLOWANCE FOR CREDIT LOSSES (Continued)

The credit quality analysis of dealer financing receivables at December 31, 2024 and gross charge-offs during the year ended December 31, 2024 were as follows (in millions):

	Amortized Cost Basis by Origination Year							Wholesale Loans	Total	Percent
	Dealer Loans									
	Prior to 2020	2020	2021	2022	2023	2024	Total			
Group I	\$ 270	\$ 63	\$ 97	\$ 47	\$ 217	\$ 245	\$ 939	\$ 25,257	\$ 26,196	89.4%
Group II	13	—	3	1	28	31	76	2,494	2,570	8.8
Group III	—	—	2	—	1	4	7	462	469	1.6
Group IV	—	—	—	—	—	1	1	46	47	0.2
Total (a)	\$ 283	\$ 63	\$ 102	\$ 48	\$ 246	\$ 281	\$ 1,023	\$ 28,259	\$ 29,282	100.0%
Gross charge-offs	\$ 1	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ 6	\$ 7	

(a) Total past due dealer financing receivables at December 31, 2024 were \$8 million.

The credit quality analysis of dealer financing receivables at September 30, 2025 and gross charge-offs during the first nine months of 2025 were as follows (in millions):

	Amortized Cost Basis by Origination Year							Wholesale Loans	Total	Percent
	Dealer Loans									
	Prior to 2021	2021	2022	2023	2024	2025	Total			
Group I	\$ 295	\$ 70	\$ 33	\$ 171	\$ 82	\$ 169	\$ 820	\$ 20,352	\$ 21,172	83.3%
Group II	26	8	3	34	47	34	152	3,519	3,671	14.4
Group III	—	—	—	1	1	5	7	526	533	2.1
Group IV	—	—	—	—	1	5	6	38	44	0.2
Total (a)	\$ 321	\$ 78	\$ 36	\$ 206	\$ 131	\$ 213	\$ 985	\$ 24,435	\$ 25,420	100.0%
Gross charge-offs	\$ —	\$ —	\$ —	\$ 3	\$ —	\$ —	\$ 3	\$ 10	\$ 13	

(a) Total past due dealer financing receivables at September 30, 2025 were \$6 million.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. FORD CREDIT FINANCE RECEIVABLES AND ALLOWANCE FOR CREDIT LOSSES (Continued)**Allowance for Credit Losses**

The allowance for credit losses represents an estimate of the lifetime expected credit losses inherent in finance receivables as of the balance sheet date. The adequacy of the allowance for credit losses is assessed quarterly.

Adjustments to the allowance for credit losses are made by recording charges to *Ford Credit interest, operating, and other expenses* on our consolidated income statements. The uncollectible portion of a finance receivable is charged to the allowance for credit losses at the earlier of when an account is deemed to be uncollectible or when an account is 120 days delinquent, taking into consideration the financial condition of the customer or borrower, the value of the collateral, recourse to guarantors, and other factors.

Charge-offs on finance receivables include uncollected amounts related to principal, interest, late fees, and other allowable charges. Recoveries on finance receivables previously charged off as uncollectible are credited to the allowance for credit losses. In the event Ford Credit repossesses the collateral, the receivable is charged off and the collateral is recorded at its estimated fair value less costs to sell and reported in *Other assets* on our consolidated balance sheets.

An analysis of the allowance for credit losses related to finance receivables for the periods ended September 30 was as follows (in millions):

	Third Quarter 2024			First Nine Months 2024		
	Consumer	Non-Consumer	Total	Consumer	Non-Consumer	Total
Allowance for credit losses						
Beginning balance	\$ 876	\$ 4	\$ 880	\$ 879	\$ 3	\$ 882
Charge-offs	(155)	—	(155)	(408)	(7)	(415)
Recoveries	41	—	41	122	3	125
Provision for credit losses	99	—	99	277	5	282
Other (a)	(3)	—	(3)	(12)	—	(12)
Ending balance	<u>\$ 858</u>	<u>\$ 4</u>	<u>\$ 862</u>	<u>\$ 858</u>	<u>\$ 4</u>	<u>\$ 862</u>

	Third Quarter 2025			First Nine Months 2025		
	Consumer	Non-Consumer	Total	Consumer	Non-Consumer	Total
Allowance for credit losses						
Beginning balance	\$ 885	\$ 5	\$ 890	\$ 860	\$ 4	\$ 864
Charge-offs	(177)	1	(176)	(490)	(13)	(503)
Recoveries	48	—	48	133	—	133
Provision for credit losses	134	1	135	374	15	389
Other (a)	—	—	—	13	1	14
Ending balance	<u>\$ 890</u>	<u>\$ 7</u>	<u>\$ 897</u>	<u>\$ 890</u>	<u>\$ 7</u>	<u>\$ 897</u>

(a) Primarily represents amounts related to foreign currency translation adjustments.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. INVENTORIES

Inventories were as follows (in millions):

	December 31, 2024	September 30, 2025
Raw materials, work-in-process, and supplies	\$ 5,394	\$ 5,823
Finished products	9,557	10,686
Total inventories	<u>\$ 14,951</u>	<u>\$ 16,509</u>

NOTE 10. OTHER LIABILITIES AND DEFERRED REVENUE

Other liabilities and deferred revenue were as follows (in millions):

	December 31, 2024	September 30, 2025
Current		
Dealer and dealers' customer allowances and claims	\$ 14,140	\$ 15,086
Deferred revenue	3,331	4,839
Employee benefit plans	2,457	2,988
Accrued interest	1,346	1,369
Operating lease liabilities	558	578
OPEB (a)	335	338
Pension (a)	215	224
Other (b)	5,400	5,730
Total current other liabilities and deferred revenue	<u>\$ 27,782</u>	<u>\$ 31,152</u>
Non-current		
Dealer and dealers' customer allowances and claims	\$ 9,836	\$ 12,059
Deferred revenue	4,910	5,199
OPEB (a)	4,080	4,048
Pension (a)	4,470	4,021
Operating lease liabilities	1,782	1,864
Employee benefit plans	806	753
Other (b)	2,948	3,017
Total non-current other liabilities and deferred revenue	<u>\$ 28,832</u>	<u>\$ 30,961</u>

- (a) Balances at September 30, 2025 reflect pension and OPEB liabilities at December 31, 2024, updated for: service and interest cost; expected return on assets; curtailments, settlements, and associated interim remeasurement (where applicable); separation expense; actual benefit payments; and cash contributions. The discount rate and rate of expected return assumptions are unchanged from year-end 2024. Included in *Other assets* are pension assets of \$4.1 billion and \$4.6 billion at December 31, 2024 and September 30, 2025, respectively.
- (b) Includes current derivative liabilities of \$1.0 billion and \$0.6 billion at December 31, 2024 and September 30, 2025, respectively. Includes non-current derivative liabilities of \$0.9 billion and \$0.5 billion at December 31, 2024 and September 30, 2025, respectively (see Note 13).

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. RETIREMENT BENEFITS**Defined Benefit Plans - Expense**

The pre-tax net periodic benefit cost/(income) for our defined benefit pension and OPEB plans for the periods ended September 30 were as follows (in millions):

	Third Quarter					
	2024			2025		
	Pension Benefits		OPEB	Pension Benefits		OPEB
	U.S. Plans	Non-U.S. Plans	Worldwide	U.S. Plans	Non-U.S. Plans	Worldwide
Service cost	\$ 73	\$ 62	\$ 6	\$ 53	\$ 51	\$ 5
Interest cost	400	237	57	392	245	55
Expected return on assets	(455)	(256)	—	(456)	(297)	—
Amortization of prior service costs/(credits)	23	6	2	22	7	3
Net remeasurement (gain)/loss	112	56	—	—	—	—
Separation costs/other	7	30	—	6	4	—
Settlements and curtailments	128	—	—	—	—	—
Net periodic benefit cost/(income)	<u>\$ 288</u>	<u>\$ 135</u>	<u>\$ 65</u>	<u>\$ 17</u>	<u>\$ 10</u>	<u>\$ 63</u>

	First Nine Months					
	2024			2025		
	Pension Benefits		OPEB	Pension Benefits		OPEB
	U.S. Plans	Non-U.S. Plans	Worldwide	U.S. Plans	Non-U.S. Plans	Worldwide
Service cost	\$ 219	\$ 186	\$ 18	\$ 157	\$ 149	\$ 15
Interest cost	1,201	705	170	1,178	707	165
Expected return on assets	(1,365)	(763)	—	(1,369)	(864)	—
Amortization of prior service costs/(credits)	70	18	7	66	19	7
Net remeasurement (gain)/loss	112	(127)	—	—	(10)	—
Separation costs/other	16	97	—	18	39	—
Settlements and curtailments	128	(3)	—	—	—	—
Net periodic benefit cost/(income)	<u>\$ 381</u>	<u>\$ 113</u>	<u>\$ 195</u>	<u>\$ 50</u>	<u>\$ 40</u>	<u>\$ 187</u>

The service cost component is included in *Cost of sales* and *Selling, administrative, and other expenses*. Other components of net periodic benefit cost/(income) are included in *Other income/(loss), net* on our consolidated income statements.

Pension Plan Contributions

During 2025, we now expect to contribute about \$750 million of cash to our global funded pension plans. We also expect to make about \$450 million of benefit payments to participants in unfunded plans. In the first nine months of 2025, we contributed \$702 million to our global funded pension plans and made \$333 million of benefit payments to participants in unfunded plans.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 12. DEBT

The carrying value of Company debt excluding Ford Credit and Ford Credit debt was as follows (in millions):

	December 31, 2024	September 30, 2025
Company excluding Ford Credit		
Debt payable within one year		
Short-term	\$ 632	\$ 1,056
Long-term debt payable within one year		
U.K. Export Finance Program	784	—
Public unsecured debt securities	176	348
Convertible notes (a)	—	2,300
Other debt (including finance leases) (b)	176	218
Unamortized (discount)/premium	(11)	(1)
Unamortized issuance costs	(1)	(3)
Total debt payable within one year	1,756	3,918
Long-term debt payable after one year		
Public unsecured debt securities	14,759	14,587
Convertible notes (a)	2,300	—
U.K. Export Finance Program (c)	940	2,352
Other debt (including finance leases) (b)	1,160	1,211
Unamortized (discount)/premium	(109)	(150)
Unamortized issuance costs	(152)	(143)
Total long-term debt payable after one year	18,898	17,857
Total Company excluding Ford Credit	\$ 20,654	\$ 21,775
Fair value of Company debt excluding Ford Credit (d)	\$ 20,178	\$ 21,535
Ford Credit		
Debt payable within one year		
Short-term	\$ 17,413	\$ 17,540
Long-term payable within one year		
Unsecured debt	12,871	14,169
Asset-backed debt	23,050	22,085
Unamortized (discount)/premium	2	(1)
Unamortized issuance costs	(18)	(20)
Fair value adjustments (e)	(125)	(63)
Total debt payable within one year	53,193	53,710
Long-term debt payable after one year		
Unsecured debt	49,607	53,565
Asset-backed debt	36,224	33,302
Unamortized (discount)/premium	(20)	(20)
Unamortized issuance costs	(217)	(218)
Fair value adjustments (e)	(919)	(174)
Total long-term debt payable after one year	84,675	86,455
Total Ford Credit	\$ 137,868	\$ 140,165
Fair value of Ford Credit debt (d)	\$ 140,046	\$ 142,583

- (a) As of September 30, 2025, each \$1,000 principal amount of the notes will be convertible into 74.5103 shares of our Common Stock, which is equivalent to a conversion price of approximately \$13.42 per share. We recognized issuance cost amortization of \$2 million during both the third quarter of 2024 and 2025 and \$5 million during both the first nine months of 2024 and 2025.
- (b) At December 31, 2024 and September 30, 2025, long-term finance leases payable within one year were \$94 million and \$134 million, respectively, and long-term finance leases payable after one year were \$711 million and \$761 million, respectively.
- (c) Ford of Britain entered into a £1.0 billion 7-year term loan pursuant to the U.K. Export Finance Program in July 2025.
- (d) At December 31, 2024 and September 30, 2025, the fair value of debt includes \$632 million and \$1,056 million of Company excluding Ford Credit short-term debt, respectively, and \$16.2 billion and \$16.2 billion of Ford Credit short-term debt, respectively, carried at cost, which approximates fair value. All other debt is categorized within Level 2 of the fair value hierarchy.
- (e) These adjustments are related to hedging activity and include discontinued hedging relationship adjustments of \$(450) million and \$(336) million at December 31, 2024 and September 30, 2025, respectively. The carrying value of hedged debt was \$41.1 billion and \$42.8 billion at December 31, 2024 and September 30, 2025, respectively.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

In the normal course of business, our operations are exposed to global market risks, including the effect of changes in foreign currency exchange rates, certain commodity prices, and interest rates. To manage these risks, we enter into derivative contracts. We have elected to apply hedge accounting to certain derivatives. Derivatives that are designated in hedging relationships are evaluated for effectiveness using regression analysis at the time they are designated and throughout the hedge period. Some derivatives do not qualify for hedge accounting; for others, we elect not to apply hedge accounting.

Income Effect of Derivative Financial Instruments

The gains/(losses), by hedge designation, reported in income for the periods ended September 30 were as follows (in millions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Cash flow hedges				
Reclassified from AOCI to Cost of sales				
Foreign currency exchange contracts (a)	\$ 16	\$ (23)	\$ 80	\$ 72
Commodity contracts (b)	(11)	—	(40)	10
Fair value hedges				
Interest rate contracts				
Net interest settlements and accruals on hedging instruments	(92)	(45)	(294)	(137)
Fair value changes on hedging instruments	585	34	316	598
Fair value changes on hedged debt	(553)	(33)	(316)	(576)
Cross-currency interest rate swap contracts				
Net interest settlements and accruals on hedging instruments	(33)	(23)	(97)	(66)
Fair value changes on hedging instruments	266	(14)	155	490
Fair value changes on hedged debt	(261)	(1)	(159)	(476)
Derivatives not designated as hedging instruments				
Foreign currency exchange contracts (c)	133	(55)	328	(64)
Cross-currency interest rate swap contracts	210	(49)	14	299
Interest rate contracts	(153)	—	(102)	(63)
Commodity contracts	—	—	(11)	22
Total	\$ 107	\$ (209)	\$ (126)	\$ 109

- (a) For the third quarter and first nine months of 2024, a \$388 million loss and a \$51 million loss, respectively, were reported in *Other comprehensive income/(loss), net of tax*. For the third quarter and first nine months of 2025, a \$331 million gain and a \$274 million loss, respectively, were reported in *Other comprehensive income/(loss), net of tax*.
- (b) For the third quarter and first nine months of 2024, an \$11 million gain and a \$33 million gain, respectively, were reported in *Other comprehensive income/(loss), net of tax*. For the third quarter and first nine months of 2025, a \$30 million gain and a \$38 million gain, respectively, were reported in *Other comprehensive income/(loss), net of tax*.
- (c) For the third quarter and first nine months of 2024, a \$138 million gain and a \$196 million gain, respectively, were reported in *Cost of sales*, and a \$5 million loss and a \$132 million gain, respectively, were reported in *Other income/(loss), net*. For the third quarter and first nine months of 2025, a \$61 million loss and a \$65 million gain, respectively, were reported in *Cost of sales*, and a \$6 million gain and a \$129 million loss, respectively, were reported in *Other income/(loss), net*.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES (Continued)**Balance Sheet Effect of Derivative Financial Instruments**

Derivative assets and liabilities are reported on our consolidated balance sheets at fair value and are presented on a gross basis. The notional amounts of the derivative instruments do not necessarily represent amounts exchanged by the parties and are not a direct measure of our financial exposure. We also enter into master agreements with counterparties that may allow for netting of exposures in the event of default or breach of the counterparty agreement. Collateral represents cash received or paid under reciprocal arrangements that we have entered into with our derivative counterparties, which we do not use to offset our derivative assets and liabilities.

The fair value of our derivative instruments and the associated notional amounts were as follows (in millions):

	December 31, 2024			September 30, 2025		
	Notional	Fair Value of Assets	Fair Value of Liabilities	Notional	Fair Value of Assets	Fair Value of Liabilities
Cash flow hedges						
Foreign currency exchange contracts	\$ 20,027	\$ 578	\$ 123	\$ 16,248	\$ 241	\$ 102
Commodity contracts	959	22	13	946	36	1
Fair value hedges						
Interest rate contracts	16,194	66	645	20,218	391	258
Cross-currency interest rate swap contracts	3,802	9	139	4,158	374	6
Derivatives not designated as hedging instruments						
Foreign currency exchange contracts	20,799	301	192	22,138	153	202
Cross-currency interest rate swap contracts	5,455	133	246	7,109	354	24
Interest rate contracts	76,977	305	845	85,911	374	675
Commodity contracts	944	14	31	789	20	7
Total derivative financial instruments, gross (a) (b)	<u>\$ 145,157</u>	<u>\$ 1,428</u>	<u>\$ 2,234</u>	<u>\$ 157,517</u>	<u>\$ 1,943</u>	<u>\$ 1,275</u>
Current portion		\$ 869	\$ 1,311		\$ 548	\$ 774
Non-current portion		559	923		1,395	501
Total derivative financial instruments, gross		<u>\$ 1,428</u>	<u>\$ 2,234</u>		<u>\$ 1,943</u>	<u>\$ 1,275</u>

(a) At December 31, 2024 and September 30, 2025, we held collateral of \$27 million and \$28 million, respectively, and we posted collateral of \$127 million and \$114 million, respectively.

(b) At December 31, 2024 and September 30, 2025, the fair value of assets and liabilities available for counterparty netting was \$780 million and \$888 million, respectively. All derivatives are categorized within Level 2 of the fair value hierarchy.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. EMPLOYEE SEPARATION ACTIONS AND EXIT AND DISPOSAL ACTIVITIES

We generally record costs associated with voluntary separations at the time of employee acceptance. We generally record costs associated with involuntary separation programs when management has approved the plan for separation, the affected employees are identified, and it is unlikely that actions required to complete the separation plan will change significantly. Costs associated with benefits that are contingent on the employee continuing to provide service are accrued over the required service period.

Company Excluding Ford Credit

Employee separation actions and exit and disposal activities include employee separation costs, facility and other asset-related charges (e.g., impairment, accelerated depreciation), dealer and supplier payments, other statutory and contractual obligations, and other expenses, which are recorded in *Cost of sales* and *Selling, administrative, and other expenses*. Below are actions we have initiated:

In 2021, we ceased vehicle manufacturing in Sanand, India and exited manufacturing operations in Brazil. In 2022, we ceased manufacturing in Chennai, India and ceased production of the Mondeo in Valencia, Spain. We do not expect significant additional costs for these actions; however, the remaining cash outflows are expected to be finalized over several years.

In 2023, we announced our plan to phase-out production of the Focus at our Saarlouis Body and Assembly plant in Germany. We will cease production in the fourth quarter of 2025, and we plan to repurpose the facility into a technical center.

In 2023, 2024, and 2025, we also had separation programs for hourly and salaried workers, primarily in Europe, and expect these programs to be substantially complete by the end of 2027. In addition, in 2024, we offered voluntary separation packages to certain members of our hourly workforce in North America, and these programs are substantially complete.

The following table summarizes the activities for the periods ended September 30, which are recorded in *Other liabilities and deferred revenue* (in millions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Beginning balance	\$ 1,333	\$ 1,050	\$ 1,086	\$ 1,098
Changes in accruals (a)	122	316	911	414
Payments	(227)	(35)	(730)	(280)
Foreign currency translation and other	29	4	(10)	103
Ending balance	\$ 1,257	\$ 1,335	\$ 1,257	\$ 1,335

(a) Excludes pension costs of \$158 million and \$4 million in the third quarter of 2024 and 2025, respectively, and \$222 million and \$39 million in the first nine months of 2024 and 2025, respectively.

We recorded costs of \$1.1 billion and \$453 million in the first nine months of 2024 and 2025, respectively, related to the initiated actions above. We estimate that we will incur total charges in 2025 that range between \$500 million and \$750 million related to such actions, primarily attributable to employee separations; some charges are related to plans that are subject to negotiations with a works council, union, or other social partner. In addition, we continue to review our global businesses and may take additional restructuring actions where a path to sustained profitability is not feasible.

NOTE 15. ACQUISITIONS AND DIVESTITURES

Ford Motor Company A/S ("Denmark"). In the third quarter of 2024, we entered into an agreement to sell 100% of our equity interest in Denmark. The entity was classified as held for sale in the fourth quarter of 2024 once all criteria were met. Accordingly, as of December 31, 2024, we reported \$52 million of held-for-sale assets, including \$47 million of cash, and \$33 million of held-for-sale liabilities in *Other assets* and *Other liabilities*, respectively. We determined the assets held for sale were not impaired. On January 2, 2025, we completed the sale of Denmark. The consideration received approximated the carrying value of Denmark at the time of sale.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 16. ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS)

The changes in the balances for each component of accumulated other comprehensive income/(loss) attributable to Ford Motor Company for the periods ended September 30 were as follows (in millions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Foreign currency translation				
Beginning balance	\$ (6,077)	\$ (5,105)	\$ (5,443)	\$ (6,899)
Gains/(Losses) on foreign currency translation	471	36	(143)	1,762
Less: Tax/(Tax benefit) (a)	(23)	8	(4)	(64)
Net gains/(losses) on foreign currency translation	494	28	(139)	1,826
(Gains)/Losses reclassified from AOCI to net income (b) (c)	(64)	—	(65)	(4)
Other comprehensive income/(loss), net of tax (d)	430	28	(204)	1,822
Ending balance	\$ (5,647)	\$ (5,077)	\$ (5,647)	\$ (5,077)
Marketable securities				
Beginning balance	\$ (150)	\$ 53	\$ (170)	\$ (50)
Gains/(Losses) on available for sale securities	237	34	252	173
Less: Tax/(Tax benefit)	57	8	60	40
Net gains/(losses) on available for sale securities	180	26	192	133
(Gains)/Losses reclassified from AOCI to net income	—	(3)	11	(8)
Less: Tax/(Tax benefit)	—	(1)	3	(2)
Net (gains)/losses reclassified from AOCI to net income (c)	—	(2)	8	(6)
Other comprehensive income/(loss), net of tax	180	24	200	127
Ending balance	\$ 30	\$ 77	\$ 30	\$ 77
Derivative instruments				
Beginning balance	\$ (83)	\$ (262)	\$ (331)	\$ 277
Gains/(Losses) on derivative instruments	(377)	361	(18)	(236)
Less: Tax/(Tax benefit)	(89)	88	(5)	(51)
Net gains/(losses) on derivative instruments	(288)	273	(13)	(185)
(Gains)/Losses reclassified from AOCI to net income	(5)	23	(40)	(82)
Less: Tax/(Tax benefit)	(1)	5	(9)	(19)
Net (gains)/losses reclassified from AOCI to net income (e)	(4)	18	(31)	(63)
Other comprehensive income/(loss), net of tax	(292)	291	(44)	(248)
Ending balance	\$ (375)	\$ 29	\$ (375)	\$ 29
Pension and other postretirement benefits				
Beginning balance	\$ (3,047)	\$ (2,928)	\$ (3,098)	\$ (2,967)
Amortization and recognition of prior service costs/(credits)	71	32	135	92
Less: Tax/(Tax benefit)	18	7	33	22
Net prior service costs/(credits) reclassified from AOCI to net income	53	25	102	70
Translation impact on non-U.S. plans	(3)	1	(1)	(5)
Other comprehensive income/(loss), net of tax	50	26	101	65
Ending balance	\$ (2,997)	\$ (2,902)	\$ (2,997)	\$ (2,902)
Total AOCI ending balance at September 30	\$ (8,989)	\$ (7,873)	\$ (8,989)	\$ (7,873)

- (a) We do not recognize deferred taxes for a majority of the foreign currency translation gains and losses because we do not anticipate reversal in the foreseeable future. However, we have made elections to tax certain non-U.S. operations simultaneously in U.S. tax returns, and have recorded deferred taxes for temporary differences that will reverse, independent of repatriation plans, in U.S. tax returns. Taxes or tax benefits resulting from foreign currency translation of the temporary differences are recorded in *Other comprehensive income/(loss), net of tax*.
- (b) Includes the reclassification of foreign currency translation net gains of \$64 million and \$65 million in the third quarter and first nine months of 2024, respectively, to *Other income/(loss)*, net related to the substantial liquidation of certain Ford Credit investments in Europe.
- (c) Reclassified to *Other Income/(Loss)* net.
- (d) Excludes a \$1 million loss in 2025 related to noncontrolling interests.
- (e) Reclassified to *Cost of sales*. During the next twelve months, we expect to reclassify existing net losses on cash flow hedges of \$75 million (see Note 13).

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 17. VARIABLE INTEREST ENTITIES

Certain of our affiliates are VIEs in which we are not the primary beneficiary. Our maximum exposure to any potential losses associated with these unconsolidated affiliates is limited to our equity investments, accounts receivable, loans, and guarantees and was \$9.3 billion and \$7.7 billion at December 31, 2024 and September 30, 2025, respectively. The guarantee exposure is related to certain debt at our unconsolidated affiliates, which includes amounts outstanding as well as potential future draws up to a maximum amount of \$4.9 billion at both December 31, 2024 and September 30, 2025, related to certain obligations of our VIEs, and is also included in Note 18.

In July 2022, Ford, SK On Co., Ltd., and SK Battery America, Inc. (a wholly owned subsidiary of SK On) completed the creation of BlueOval SK, LLC ("BOSK"), a 50/50 joint venture that is building and will operate electric vehicle battery plants in Tennessee and Kentucky to supply batteries to Ford and Ford affiliates. BOSK is a VIE of which we are not the primary beneficiary, and we use the equity method of accounting for our investment. In December 2024, BOSK entered into a loan agreement with the United States Department of Energy ("DOE") of up to \$9.6 billion (the "BOSK DOE Loan"). In conjunction with the loan agreement, Ford has agreed to guarantee its 50% share of BOSK's payment obligations under the BOSK DOE Loan. After drawing on the BOSK DOE Loan, BOSK has distributed \$3.1 billion (including \$1.7 billion in the first quarter of 2025) to Ford as returns of capital. As of September 30, 2025, Ford has recognized contributions (net of returns of capital) to BOSK of \$2.9 billion of its agreed capital contribution of up to \$6.6 billion through 2026. The total amount of capital contributions is subject to adjustments agreed to by the parties.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 18. COMMITMENTS AND CONTINGENCIES

Commitments and contingencies primarily consist of guarantees and indemnifications, litigation and claims, and warranty and field service actions.

Guarantees and Indemnifications

Financial Guarantees. Financial guarantees and indemnifications are recorded at fair value at their inception. Subsequent to initial recognition, the guarantee liability is adjusted at each reporting period to reflect the current estimate of expected payments resulting from possible default events over the remaining life of the guarantee. The maximum potential payments for financial guarantees were \$5.3 billion and \$5.4 billion at December 31, 2024 and September 30, 2025, respectively. See Note 17 for additional information. The carrying value of recorded liabilities related to financial guarantees was \$144 million and \$100 million at December 31, 2024 and September 30, 2025, respectively.

Our financial guarantees consist of debt and lease obligations of certain joint ventures, as well as certain financial obligations of outside third parties, including suppliers, to support our business and economic growth. Expiration dates vary through 2040, and guarantees will terminate on payment and/or cancellation of the underlying obligation. A payment by us would be triggered by failure of the joint venture or other third party to fulfill its obligation covered by the guarantee. In some circumstances, we are entitled to recover from a third party amounts paid by us under the guarantee.

Non-Financial Guarantees. Non-financial guarantees and indemnifications are recorded at fair value at their inception. We regularly review our performance risk under these arrangements, and in the event it becomes probable we will be required to perform under a guarantee or indemnity, the probable amount of payment is recorded. The maximum potential payments and carrying values of recorded liabilities related to non-financial guarantees were de minimis at both December 31, 2024 and September 30, 2025.

In the ordinary course of business, we execute contracts involving indemnifications standard in the industry and indemnifications specific to a transaction, such as the sale of a business. These indemnifications might include and are not limited to claims relating to any of the following: environmental, tax, and shareholder matters; intellectual property rights; power generation contracts; governmental regulations and employment-related matters; dealer, supplier, and other commercial contractual relationships; and financial matters, such as securitizations. Performance under these indemnities generally would be triggered by a breach of contract claim brought by a counterparty, including a joint venture or alliance partner, or a third-party claim. While some of these indemnifications are limited in nature, many of them do not limit potential payment. Therefore, we are unable to estimate a maximum amount of future payments that could result from claims made under these unlimited indemnities.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 18. COMMITMENTS AND CONTINGENCIES (Continued)

Litigation and Claims

Various legal actions, proceedings, and claims (generally, “matters”) are pending or may be instituted or asserted against us. These include, but are not limited to, matters arising out of alleged defects in our products; product warranties; governmental regulations relating to safety, emissions, and fuel economy or other matters; government incentives; tax matters, including trade and customs; alleged illegal acts resulting in fines or penalties; financial services; employment-related matters; dealer, supplier, and other contractual relationships; intellectual property rights; environmental matters; shareholder or investor matters; and financial reporting matters. Certain of the pending legal actions are, or purport to be, class actions. Some of the matters involve or may involve claims for compensatory, punitive, or antitrust or other treble damages that are significant, or demands for field service actions, environmental remediation programs, sanctions, loss of government incentives, assessments, or other relief, which, if granted, would require significant expenditures.

The extent of our financial exposure to these matters is difficult to estimate. Many matters do not specify a dollar amount for damages, and many others specify only a jurisdictional minimum. To the extent an amount is asserted, our historical experience suggests that in most instances the amount asserted is not a reliable indicator of the ultimate outcome.

We accrue for matters when losses are deemed probable and reasonably estimable. In evaluating matters for accrual and disclosure purposes, we take into consideration factors such as our historical experience with matters of a similar nature, the specific facts and circumstances asserted, the likelihood that we will prevail, and the severity of any potential loss. We reevaluate and update our accruals as matters progress over time.

For the majority of matters, which generally arise out of alleged defects in our products, we establish an accrual based on our extensive historical experience with similar matters. We do not believe there is a reasonably possible outcome materially in excess of our accrual for these matters. For the remaining matters, where our historical experience with similar matters is of more limited value (i.e., “non-pattern matters”), we evaluate the matters primarily based on the individual facts and circumstances. For non-pattern matters, we evaluate whether there is a reasonable possibility of a material loss in excess of any accrual that can be estimated.

Our estimate of reasonably possible loss in excess of our accruals for all material matters currently reflects indirect tax and regulatory matters, for which we estimate the aggregate risk to be a range of up to about \$0.6 billion.

As noted, the litigation process is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. Our assessments are based on our knowledge and experience, but the ultimate outcome of any matter could require payment substantially in excess of the amount that we have accrued and/or disclosed.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 18. COMMITMENTS AND CONTINGENCIES (Continued)**Warranty and Field Service Actions**

We accrue the estimated cost of both base warranty coverages and field service actions at the time of sale. We establish our estimate of base warranty obligations using a patterned estimation model, using historical information regarding the nature, frequency, and average cost of claims for each vehicle line by model year. We establish our estimates of field service action obligations using a patterned estimation model, using historical information regarding the nature, frequency, severity, and average cost of claims for each model year. In addition, from time to time, we issue extended warranties at our expense, the estimated cost of which is accrued at the time of issuance. Warranty and field service action obligations are reported in *Other liabilities and deferred revenue*. We reevaluate the adequacy of our accruals on a regular basis.

We recognize the benefit from a recovery of the costs associated with our warranty and field service actions when specifics of the recovery have been agreed with our supplier and the amount of recovery is virtually certain. Recoveries are reported in *Trade and other receivables, net* and *Other assets*.

The estimate of our future warranty and field service action costs, net of estimated supplier recoveries, for the periods ended September 30 was as follows (in millions):

	First Nine Months	
	2024	2025
Beginning balance	\$ 11,504	\$ 14,032
Payments made during the period	(4,411)	(4,248)
Changes in accrual related to warranties issued during the period	4,329	5,130
Changes in accrual related to pre-existing warranties	2,159	1,688
Foreign currency translation and other	(267)	(18)
Ending balance	<u>\$ 13,314</u>	<u>\$ 16,584</u>

Changes to our estimated costs are reported as changes in accrual related to pre-existing warranties in the table above, which includes a \$572 million charge for a field service action related to fuel injectors announced in the second quarter of 2025. In addition, our estimate of reasonably possible costs in excess of our accruals for material field service actions and customer satisfaction actions is a range of up to about \$1.7 billion in the aggregate.

**FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 19. SEGMENT INFORMATION

We report segment information consistent with the way our chief operating decision maker (“CODM”), our President and Chief Executive Officer, evaluates the operating results and performance of the Company. Accordingly, we analyze the results of our business through the following segments: Ford Blue, Ford Model e, Ford Pro, and Ford Credit.

Beginning January 1, 2025, the expenses and investments for emerging business initiatives in vehicle-adjacent market segments (previously the Ford Next segment) are reflected in the reportable segments that benefit from those expenses and investments or Corporate Other. Prior period amounts were adjusted retrospectively to reflect the change.

Below is a description of our reportable segments and other activities.

Ford Blue Segment

Ford Blue primarily includes the sale of Ford and Lincoln internal combustion engine (“ICE”) and hybrid vehicles, service parts, accessories, and digital services for retail customers, together with the associated costs of development, manufacture, and distribution of the vehicles, parts, accessories, and services. This segment focuses on developing Ford and Lincoln ICE and hybrid vehicles. Additionally, this segment provides hardware engineering and manufacturing capabilities to Ford Model e and manufactures vehicles on behalf of Ford Pro and, in certain cases, Ford Model e. Ford Blue also includes:

- All sales for markets not presently in scope for Ford Model e or Ford Pro (as further described below)
- In markets outside of the United States and Canada, sales to commercial, government, and rental customers of ICE and hybrid vehicles not considered core to Ford Pro
- Sales of electric vehicles (“EVs”) by our unconsolidated affiliates in China
- All sales of vehicles manufactured and sold to other OEMs

Ford Model e Segment

Ford Model e primarily includes the sale of our electric vehicles, service parts, accessories, and digital services for retail customers, together with the associated costs of development, manufacture, and distribution of the vehicles, parts, accessories, and services. This segment focuses on developing EV and digital vehicle technologies, as well as software development. Additionally, this segment provides software and connected vehicle technologies on behalf of the enterprise, and manufactures certain EVs, including for Ford Pro. Ford Model e operates in North America, Europe, and China. Ford Model e also includes EV and related sales not considered core to Ford Pro to commercial, government, and rental customers in Europe, China, and Mexico.

Ford Pro Segment

Ford Pro primarily includes the sale of Ford and Lincoln vehicles, service parts, accessories, and services for commercial, government, and rental customers. Included in this segment are sales of all core Ford Pro vehicles, such as Super Duty and the Transit range of vans in North America and Europe and all sales of Ranger in Europe. In the United States and Canada, Ford Pro also includes all vehicle sales to commercial, government, and rental customers. This segment focuses on selling ICE, hybrid, and electric vehicles, and providing digital and physical services to optimize and maintain fleets, including telematics and EV charging solutions. This segment reflects external sales of vehicles produced by Ford Blue and Ford Model e, and the costs (including intersegment markup) associated with acquiring vehicles for sale and providing services are reflected in this segment. Ford Pro operates in North America and Europe.

Ford Credit Segment

The Ford Credit segment is comprised of the Ford Credit business on a consolidated basis, which is primarily vehicle-related financing and leasing activities.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 19. SEGMENT INFORMATION (Continued)

Corporate Other

Corporate Other primarily includes corporate governance expenses, past service pension and OPEB income and expense, interest income (excluding Ford Credit interest income and interest earned on our extended service contract portfolio) and gains and losses from our cash, cash equivalents, and marketable securities, and foreign exchange derivatives gains and losses associated with intercompany lending. Corporate governance expenses are primarily administrative, delivering benefit on behalf of the global enterprise, that are not allocated to operating segments. These include expenses related to setting and directing global policy, providing oversight and stewardship, and promoting the Company's interests. Corporate Other assets include: cash, cash equivalents, and marketable securities; tax-related assets; defined benefit pension plan net assets; and other assets managed centrally.

Interest on Debt

Interest on Debt is presented as a separate reconciling item and consists of interest expense on Company debt excluding Ford Credit.

Special Items

Special Items are presented as a separate reconciling item. They consist of (i) pension and OPEB remeasurement gains and losses, (ii) significant personnel expenses, supplier- and dealer-related costs, and facility-related charges stemming from our efforts to match production capacity and cost structure to market demand and changing model mix, and (iii) other items that we do not generally consider to be indicative of earnings from ongoing operating activities. Our management excludes these items from its review of the results of the operating segments for purposes of measuring segment profitability and allocating resources. We also report these special items separately to help investors track amounts related to these activities and to allow investors analyzing our results to identify certain infrequent significant items that they may wish to exclude when analyzing operating results.

CODM Evaluation of the Business

When we report segment earnings before interest and taxes ("Segment EBIT") for each of the Ford Blue, Ford Model e, and Ford Pro segments, it consists of the earnings for the particular segment and does not include interest and taxes. Ford Credit segment earnings include interest and exclude taxes ("Segment EBT"). Each segment's EBIT/EBT also excludes the results reported in Corporate Other and Special Items. For the Ford Blue, Ford Model e, and Ford Pro segments, our CODM reviews Segment EBIT and Segment EBIT margin, as well as market share, revenue, and wholesale volume to evaluate performance and allocate resources, predominately in the budgeting, planning, and forecasting processes. For Segment EBIT, our CODM reviews the year-over-year change in EBIT, sequential change in EBIT, and change in EBIT from internal forecasts/budgets. Revenue and certain of our costs, such as material costs, generally vary directly with changes in volume and mix of vehicles. As a result, our CODM reviews the EBIT impact driven by changes in volume and mix, the EBIT impact driven by changes in exchange, and the EBIT impact driven by changes in net pricing and cost categories at constant volume and mix and/or exchange. For the Ford Credit segment, our CODM reviews Segment EBT to evaluate performance and allocate resources. Expense information is provided to and reviewed by the CODM on a consolidated basis to evaluate cost efficiency and company level performance.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 19. SEGMENT INFORMATION (Continued)**Segment Revenue, Cost, and Asset Principles for Ford Blue, Ford Model e, and Ford Pro**

External vehicle and digital services revenue is generally vehicle-specific and included in the segment responsible for the external vehicle sale. A majority of parts and accessories revenue and cost is attributed to customer sales channels or vehicle lines based on recent end-customer sales and is included in the respective segment.

In the normal course of business, Ford Blue, Ford Model e, and Ford Pro transact between segments and cooperate to leverage synergies, including developing and manufacturing vehicles on behalf of another segment. When one segment produces a vehicle that is sold externally by another segment, an intersegment transaction occurs. The producing segment will report intersegment revenue to recoup the costs associated with the unit produced. This includes material cost, labor and overhead (including depreciation and amortization), inbound freight, and an intersegment markup. The intersegment markup amount is set to deliver a competitive return to the producing segment for its manufacturing and distribution service. Costs are reflected in the associated segment externally reporting the vehicle sale, as detailed in the table below:

Income Statement Elements	Examples	Segment Reporting
Costs specific to a particular vehicle	Bill of material cost and initial warranty accrual	Reported in the segment externally selling the vehicle
Costs identifiable by product line	Manufacturing and logistics costs, depreciation & amortization expense, direct research & development costs	Typically identifiable to the product line or production location. Reported in the segment externally selling the vehicle, based on relative volume
Shared costs	Selling, general & administrative expense, and indirect/cross product line research & development costs	Typically shared across all segments, generally based on relative volume. Certain costs clearly linked to a segment are reported in the specific segment
Intersegment markup costs for intersegment vehicle transactions	Contract manufacturing and distribution fees	Reported in the segment externally selling the vehicle, for each applicable vehicle transaction

Assets are reported in each segment, aligned to the appropriate operational responsibility. Manufacturing assets, e.g., our plants and the machinery and equipment therein, are included in our Ford Blue and Ford Model e segments. Manufacturing assets producing only, or primarily, EVs and related components are reflected in Ford Model e. Manufacturing assets that support the production of ICE and hybrid vehicles, including those producing ICE and electric vehicles in the same facility, are included in Ford Blue. Company-owned vendor tooling dedicated to producing EV parts is reported in Ford Model e. Purchased regulatory credit compliance assets are reported in Ford Blue. There are no Ford manufacturing, Company-owned vendor tooling, or regulatory credit compliance assets reported in Ford Pro. Depreciation and amortization expense is reflected on the basis of production volume. Regulatory compliance credit expense is allocated by vehicle line between the Ford Blue and Ford Pro segments. Regardless of the segment reporting the asset, the related expenses are reported in the segment that reports the external vehicle sale.

Equity in net income/(loss) of affiliated companies is included in *Income/(Loss) before income taxes*, based primarily on which segment the entity supports or has the majority of the entity's purchases or sales. The table below shows the segment reporting for our most significant unconsolidated entities:

<u>Ford Blue</u>	<u>Ford Model e</u>	<u>Ford Pro</u>
◦ Changan Ford Automobile Corporation, Ltd. ("CAF") ◦ Jiangling Motors Corporation, Ltd. ("JMC") ◦ AutoAlliance (Thailand) Co., Ltd. ("AAT")	◦ BlueOval SK, LLC	◦ Ford Otomotiv Sanayi Anonim Sirketi ("Ford Otosan")

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 19. SEGMENT INFORMATION (Continued)

Key financial information for the periods ended or at September 30 was as follows (in millions):

	Ford Blue	Ford Model e	Ford Pro	Ford Credit	Unallocated Amounts and Eliminations (a)	Total
Third Quarter 2024						
External revenues	\$ 26,238	\$ 1,175	\$ 15,655	\$ 3,127	\$ 1	\$ 46,196
Intersegment revenues (b)	10,577	74	—	—	(10,651)	—
Total revenues	\$ 36,815	\$ 1,249	\$ 15,655	\$ 3,127	\$ (10,650)	\$ 46,196
Other segment items (c)	35,191	2,480	13,842	2,583		
Segment EBIT/EBT	\$ 1,624	\$ (1,231)	\$ 1,813	\$ 544		\$ 2,750
<i>Reconciliation of Segment EBIT/EBT</i>						
Unallocated amounts:						
Corporate Other						(200)
Interest on debt (excludes \$1,878 of Ford Credit interest on debt)						(272)
Special items (d)						(1,409)
Income/(Loss) before income taxes						\$ 869
<i>Other Segment Disclosures</i>						
Depreciation and tooling amortization	\$ 743	\$ 129	\$ 330	\$ 611	\$ 28	\$ 1,841
Investment-related interest income	47	1	14	126	179	367
Equity in net income/(loss) of affiliated companies	69	(13)	82	10	(1)	147
Cash outflow for capital spending (e)	1,125	777	10	22	58	1,992
Total assets	60,521	17,584	3,833	156,416	48,693	287,047
Third Quarter 2025						
External revenues	\$ 28,018	\$ 1,783	\$ 17,378	\$ 3,349	\$ 6	\$ 50,534
Intersegment revenues (b)	11,368	121	—	—	(11,489)	—
Total revenues	\$ 39,386	\$ 1,904	\$ 17,378	\$ 3,349	\$ (11,483)	\$ 50,534
Other segment items (c)	37,846	3,314	15,393	2,718		
Segment EBIT/EBT	\$ 1,540	\$ (1,410)	\$ 1,985	\$ 631		\$ 2,746
<i>Reconciliation of Segment EBIT/EBT</i>						
Unallocated amounts:						
Corporate Other						(160)
Interest on debt (excludes \$1,802 of Ford Credit interest on debt)						(321)
Special items (f)						(447)
Income/(Loss) before income taxes						\$ 1,818
<i>Other Segment Disclosures</i>						
Depreciation and tooling amortization	\$ 811	\$ 151	\$ 347	\$ 642	\$ 24	\$ 1,975
Investment-related interest income	49	—	16	92	222	379
Equity in net income/(loss) of affiliated companies	48	(54)	109	13	(95)	21
Cash outflow for capital spending (e)	1,237	821	12	26	29	2,125
Total assets	63,878	17,437	4,499	160,559	54,617	300,990

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 19. SEGMENT INFORMATION (Continued)

Key financial information for the periods ended or at September 30 was as follows (in millions):

	Ford Blue	Ford Model e	Ford Pro	Ford Credit	Unallocated Amounts and Eliminations (a)	Total
First Nine Months 2024						
External revenues	\$ 74,662	\$ 2,441	\$ 50,662	\$ 9,011	\$ 5	\$ 136,781
Intersegment revenues (b)	33,624	207	—	—	(33,831)	—
Total revenues	\$ 108,286	\$ 2,648	\$ 50,662	\$ 9,011	\$ (33,826)	\$ 136,781
Other segment items (c)	104,594	6,356	43,281	7,798		
Segment EBIT/EBT	\$ 3,692	\$ (3,708)	\$ 7,381	\$ 1,213		\$ 8,578
<i>Reconciliation of Segment EBIT/EBT</i>						
Unallocated amounts:						
Corporate Other						(508)
Interest on debt (excludes \$5,623 of Ford Credit interest on debt)						(820)
Special items (g)						(2,331)
Income/(Loss) before income taxes						\$ 4,919
<i>Other Segment Disclosures</i>						
Depreciation and tooling amortization	\$ 2,222	\$ 424	\$ 1,046	\$ 1,856	\$ 88	\$ 5,636
Investment-related interest income	124	2	38	393	587	1,144
Equity in net income/(loss) of affiliated companies	225	(52)	310	28	—	511
Cash outflow for capital spending (e)	3,225	2,725	27	65	144	6,186
First Nine Months 2025						
External revenues	\$ 74,799	\$ 5,382	\$ 51,356	\$ 9,827	\$ 13	\$ 141,377
Intersegment revenues (b)	35,500	429	—	—	(35,929)	—
Total revenues	\$ 110,299	\$ 5,811	\$ 51,356	\$ 9,827	\$ (35,916)	\$ 141,377
Other segment items (c)	108,002	9,399	45,744	7,971		
Segment EBIT/EBT	\$ 2,297	\$ (3,588)	\$ 5,612	\$ 1,856		\$ 6,177
<i>Reconciliation of Segment EBIT/EBT</i>						
Unallocated amounts:						
Corporate Other						(432)
Interest on debt (excludes \$5,351 of Ford Credit interest on debt)						(906)
Special items (h)						(1,859)
Income/(Loss) before income taxes						\$ 2,980
<i>Other Segment Disclosures</i>						
Depreciation and tooling amortization	\$ 2,304	\$ 443	\$ 1,044	\$ 1,875	\$ 56	\$ 5,722
Investment-related interest income	147	2	46	274	629	1,098
Equity in net income/(loss) of affiliated companies	162	(91)	245	36	(487)	(135)
Cash outflow for capital spending (e)	3,287	2,534	35	88	87	6,031

- (a) Unallocated amounts include Corporate Other (see above description of corporate expenses and corporate assets) and Special Items. Eliminations include intersegment transactions occurring in the ordinary course of business.
- (b) Intersegment revenues only reflect finished vehicle transactions between Ford Blue, Ford Model e, and Ford Pro where there is an intersegment markup and are recognized at the time of the intersegment transaction.
- (c) Other segment items for the Ford Blue, Ford Model e, and Ford Pro segments primarily consists of: material costs (including commodities and components and purchased vehicles from partners), manufacturing costs (including hourly and salaried wages and fringe, and plant overhead such as utilities and taxes), warranty coverages and field service action costs (including estimated costs to repair, replace, or adjust parts on a vehicle that are defective in factory supplied materials or workmanship), freight and duty costs (including related to the receiving and shipping of components and vehicles), vehicle and software engineering and connectivity costs (including wages and fringe for personnel, prototype materials, testing, and outside services), spending-related costs (including depreciation and amortization of manufacturing and engineering assets, asset retirements, and operating leases), advertising and sales promotions costs (including costs for advertising, marketing programs, brand promotions, customer mailings and promotional events, and auto shows), and administrative, IT, and selling costs (primarily including wages and fringe for salaried personnel and purchased services). Other segment items for Ford Credit primarily consists of interest expense and depreciation.
- (d) Primarily reflects a write-down of certain product-specific assets of \$391 million and other expenses of \$588 million related to the cancellation of a previously planned all-electric three-row SUV program, all of which was recorded in *Cost of sales*. The remaining items consist of pension curtailment costs and remeasurement losses (primarily related to hourly buyouts in North America) and continued restructuring actions in Europe.

FORD MOTOR COMPANY AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 19. SEGMENT INFORMATION (Continued)

- (e) Ford Blue recognized \$206 million and \$128 million of spending attributable to electric vehicles at shared manufacturing plants during the third quarter of 2024 and 2025, respectively, and \$675 million and \$486 million in the first nine months of 2024 and 2025, respectively. Total electric vehicle spending, including Ford Blue and Ford Model e, was \$983 million and \$949 million during the third quarter of 2024 and 2025, respectively, and \$3,401 million and \$3,020 million in the first nine months of 2024 and 2025, respectively.
- (f) Primarily reflects restructuring actions in Europe and our share of asset impairments and other expenses at an equity method investment.
- (g) Includes a write-down of certain product-specific assets of \$391 million and other expenses of \$588 million related to the cancellation of a previously planned all-electric three-row SUV program, all of which was recorded in *Cost of sales*. The amount also reflects restructuring actions in Europe, buyouts for hourly employees in North America, the extended duration of the Oakville Assembly Plant changeover, and pension curtailment and separation costs in North America and Europe.
- (h) Primarily reflects a field service action for fuel injectors, our share of equity method investment asset impairments and write downs and other expenses, charges related to the cancellation of a previously planned all-electric three-row SUV program and resulting actions, and restructuring actions in Europe.

ITEM 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations.*

RECENT DEVELOPMENTS

Production and Supply Chain

On September 17, 2025, a fire at a Novelis Inc. plant in New York disrupted operations at the facility. Novelis is a major aluminum supplier to Ford, and since the fire occurred, we have been working closely with Novelis to address the situation and exploring potential alternative sources of aluminum and mitigating actions to minimize potential disruptions to our operations. Although the ultimate impact on Ford and Ford Credit is uncertain, we expect lower production in the fourth quarter of 2025 driven by the Novelis fire, which we expect to recover partially in 2026. Lower production is likely to result in lower Ford Credit receivables and higher short-term available liquidity at Ford Credit. For more information regarding the impact and potential impact of the Novelis fire on our business, see the Outlook section on page 56 of this 10-Q Report.

See Item 1A. Risk Factors in our 2024 Form 10-K Report for additional discussion of the risks related to disruptions to Ford's and Ford's suppliers' production and operations.

Trade Policy and Tariffs

To the extent governments in various regions implement or intensify barriers to trade, such as erecting tariff or non-tariff barriers, implementing export controls, or manipulating their currency to provide advantages to domestic companies, there can be a significant negative impact on manufacturers based in other markets.

Tariffs implemented to date in the United States and elsewhere have caused significant disruption, increased costs (both directly and indirectly), and uncertainty in the automotive industry, including for Ford, other OEMs, suppliers, and dealers, as well as customers. Moreover, tariffs implemented in the United States and elsewhere in the future may exacerbate these impacts. Further, fragility in the supply chain exacerbated by tariffs and other industry concerns, such as China's restriction on the export of rare earth minerals, increases the risk of production disruptions and may further increase costs. Tariffs have affected and will continue to affect all OEMs, to various degrees.

In the third quarter of 2025, Ford's net EBIT impact related to tariffs implemented or revised in 2025 was about \$700 million, including the impact of preferential tariff treatment and import adjustment offset amounts. These offsets, which the U.S. government recently expanded, are subject to periodic approval by the U.S. Department of Commerce and may be revised based on ultimate production and import levels. As of September 30, 2025, our balance sheet includes a receivable of about \$1 billion reflecting tariffs paid but for which we have not yet received refunds for preferential tariff treatment and import adjustment offsets. The timing for our receipt of these refunds is uncertain and depends, in part, on the category of the tariff.

Although there is uncertainty regarding the application, scope, duration, and timing for implementation of tariffs (including related offsets), those that have been implemented and any additional tariffs or other measures that are implemented in the United States and retaliatory tariffs or other measures or restrictions that are implemented by other governments and the potential related market impacts, should they be sustained for an extended period of time, would have a significant adverse effect, including both operationally and financially, on the overall automotive industry, Ford, and our supply chain in 2025 and beyond.

For additional information regarding the impact and potential impact of trade policy and tariffs on our business, see the Outlook section on page 56 of this 10-Q Report and Item 1A. Risk Factors in our 2024 Form 10-K Report as updated by Item 1A. Risk Factors in our Quarterly Report on Form 10-Q for the period ended March 31, 2025.

Electric Vehicle Market

Although we are investing in our electric vehicle strategy, we anticipate that the market for EVs will continue to change. To date, we have observed lower-than-anticipated industrywide EV adoption rates due to changes in consumer sentiment, competitive dynamics, and legal and policy changes, among other factors, which we continue to monitor. The recent termination of U.S. tax credits intended to incentivize the purchase of EVs may negatively affect EV adoption rates and/or pricing. Moreover, potentially significant reductions in the stringency of federal emissions and fuel economy standards and federal legislation that eliminated the authority of California and other states to implement and enforce their most stringent emissions standards and zero-emission vehicle sales requirements, and other actions that may be forthcoming, may add to the disruption of the market for EVs in the United States, our largest market. These developments, which may continue to affect the pace of EV adoption, could extend the period of underutilization of EV production capacity across the industry.

This environment has led us, and may in the near future lead us, to adjust our investments, spending, production, and product or future technology launches to better match the pace of electric vehicle adoption and take incremental pricing actions. As a result of these adjustments and actions, we have incurred, and may continue to incur, significant expenses related to program cancellation costs or otherwise, including payments to our electric vehicle-related suppliers (battery, raw material, or otherwise), asset write-downs, or other matters.

For example, we previously announced the cancellation of an all-electric three-row SUV program. The impact of that cancellation also resulted in changes to future technology and product launches. In addition to incurring expenses of \$1.6 billion through the third quarter of 2025 related to these actions, we may incur additional expenses and cash expenditures of about \$1.8 billion and will reflect those in the quarter they are incurred as a special item.

These regulatory and market dynamics may continue to occur, which could have a substantial adverse impact on our results of operations and/or business, including our investments in supply, production capacity, and equity method investments.

Further, the pace of EV adoption and slower-than-anticipated development of the EV market may impact our strategy to comply with regulatory emissions and fuel economy standards and zero-emission vehicle requirements. Although recent actions taken and expected to be taken in the United States and elsewhere may eliminate or reduce the stringency of such standards, if consumers do not purchase our EVs and other highly fuel-efficient vehicles in sufficient numbers, it may be difficult for Ford to meet applicable environmental standards in certain markets and may force us to take various product-led actions (e.g., curtailing the production and sale of certain internal combustion vehicles) that could have substantial adverse effects on our sales volume and operations. As previously reported, we have entered into agreements to purchase regulatory compliance credits for current and future model years in various regions, as, in some cases, we plan to utilize credits purchased from third parties to demonstrate regulatory compliance. Our obligations under these agreements generally are dependent on the continued existence of an underlying regulatory compliance requirement in the applicable jurisdiction. To the extent possible and beneficial, we will terminate or renegotiate agreements in response to regulatory changes, as authorized by those agreements. For example, following federal legislative action taken in the United States in the second quarter of 2025 that eliminated certain state authority for new vehicle emissions standards and zero-emission vehicle requirements, we exercised our contractual right to terminate some of the credit purchase transactions under those agreements. As a result of these terminations, in addition to the delivery of credits to us under our purchase agreements and accruals we recorded for credits we are obligated to receive, our future purchase obligations under our compliance credit purchase agreements as of September 30, 2025 totaled about \$2.5 billion, down from about \$4.2 billion at December 31, 2024. In addition, we have written off, and may in the future write off, compliance credit assets that we are no longer able to use as a result of legal and policy changes. Write-offs to date for such credit assets have been immaterial.

See Item 1A. Risk Factors in our 2024 Form 10-K Report for additional discussion of the risks related to lower-than-anticipated electric vehicle volumes and our planned transition to a greater mix of electric vehicles.

RESULTS OF OPERATIONS

In the third quarter of 2025, the net income attributable to Ford Motor Company was \$2,447 million, and Company adjusted EBIT was \$2,586 million.

Net income/(loss) includes certain items ("special items") that are excluded from Company adjusted EBIT. These items are discussed in more detail in Note 19 of the Notes to the Financial Statements. We report special items separately to allow investors analyzing our results to identify certain infrequent significant items that they may wish to exclude when analyzing operating results. Our pre-tax and tax special items were as follows (in millions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Restructuring (by Geography)				
Europe	\$ (120)	\$ (332)	\$ (667)	\$ (382)
North America Hourly Buyouts	—	—	(260)	—
Subtotal Restructuring	\$ (120)	\$ (332)	\$ (927)	\$ (382)
Other Items				
Fuel injector field service action	\$ —	\$ (1)	\$ —	\$ (572)
EV program cancellation	(979)	(13)	(979)	(385)
Ford share of equity method investment's asset impairments / other	—	(74)	—	(275)
Ford share of BlueOval SK's asset write down / other	—	(23)	—	(216)
EV program dispute	19	—	19	—
Extended Oakville Assembly Plant Changeover	—	—	(246)	—
Other	(3)	—	6	—
Subtotal Other Items	\$ (963)	\$ (111)	\$ (1,200)	\$ (1,448)
Pension and OPEB Gain/(Loss)				
Pension and OPEB remeasurement	\$ (168)	\$ —	\$ 15	\$ 10
Pension settlements, curtailments, and separations costs	(158)	(4)	(219)	(39)
Subtotal Pension and OPEB Gain/(Loss)	\$ (326)	\$ (4)	\$ (204)	\$ (29)
Total EBIT Special Items	\$ (1,409)	\$ (447)	\$ (2,331)	\$ (1,859)
Provision for/(Benefit from) tax special items (a)	\$ (343)	\$ (1,074)	\$ (533)	\$ (870)

(a) Includes related tax effect on special items and tax special items.

We recorded \$0.4 billion of pre-tax special item charges in the third quarter of 2025, primarily reflecting restructuring actions in Europe and our share of asset impairments and other related expenses at an equity method investment.

We recorded a \$1.1 billion benefit from tax special items in the third quarter of 2025, including a net benefit of \$1.4 billion associated with the release of a valuation allowance resulting from improvements in our South American operations and a non-cash charge of \$0.4 billion to deferred tax assets to recognize tax legislation enacted in Germany during the quarter.

In Note 19 of the Notes to the Financial Statements, special items are reflected as a separate reconciling item, as opposed to being allocated among our segments. This reflects the fact that management excludes these items from its review of operating segment results for purposes of measuring segment profitability and allocating resources.

COMPANY KEY METRICS

The table below shows our third quarter and first nine months of 2025 key metrics for the Company, compared to a year ago.

	Third Quarter			First Nine Months		
	2024	2025	H / (L)	2024	2025	H / (L)
GAAP Financial Measures						
Cash Flows from Operating Activities (\$B)	\$ 5.5	\$ 7.4	\$ 1.9	\$ 12.4	\$ 17.4	\$ 5.0
Revenue (\$M)	46,196	50,534	9 %	136,781	141,377	3 %
Net Income/(Loss) (\$M)	892	2,447	\$ 1,555	4,055	2,882	\$ (1,173)
Net Income/(Loss) Margin (%)	1.9 %	4.8 %	2.9 pts	3.0 %	2.0 %	(0.9) pts
EPS (Diluted)	\$ 0.22	\$ 0.60	\$ 0.38	\$ 1.01	\$ 0.72	\$ (0.29)
Non-GAAP Financial Measures (a)						
Company Adj. Free Cash Flow (\$B)	\$ 3.2	\$ 4.3	\$ 1.1	\$ 5.9	\$ 5.7	\$ (0.3)
Company Adj. EBIT (\$M)	2,550	2,586	36	8,070	5,745	(2,325)
Company Adj. EBIT Margin (%)	5.5 %	5.1 %	(0.4) pts	5.9 %	4.1 %	(1.8) pts
Adjusted EPS (Diluted)	\$ 0.49	\$ 0.45	\$ (0.04)	\$ 1.46	\$ 0.96	\$ (0.50)
Adjusted ROIC (Trailing Four Quarters)	11.4 %	10.1 %	(1.3) pts			

(a) See *Non-GAAP Financial Measure Reconciliations* section for reconciliation to GAAP.

In the third quarter of 2025, our diluted earnings per share of Common and Class B Stock was \$0.60, and our diluted adjusted earnings per share was \$0.45.

Net income/(loss) margin was 4.8% in the third quarter of 2025, up 2.9 percentage points from a year ago. Company adjusted EBIT margin was 5.1% in the third quarter of 2025, down 0.4 percentage points from a year ago.

The table below shows the details of our third quarter and first nine months 2025 net income/(loss) attributable to Ford and Company adjusted EBIT (in millions).

	Third Quarter			First Nine Months		
	2024	2025	H / (L)	2024	2025	H / (L)
Ford Blue	\$ 1,624	\$ 1,540	\$ (84)	\$ 3,692	\$ 2,297	\$ (1,395)
Ford Model e	(1,231)	(1,410)	(179)	(3,708)	(3,588)	120
Ford Pro	1,813	1,985	172	7,381	5,612	(1,769)
Ford Credit	544	631	87	1,213	1,856	643
Corporate Other	(200)	(160)	40	(508)	(432)	76
Company Adjusted EBIT (a)	2,550	2,586	36	8,070	5,745	(2,325)
Interest on Debt	(272)	(321)	(49)	(820)	(906)	(86)
Special Items	(1,409)	(447)	962	(2,331)	(1,859)	472
Taxes / Noncontrolling Interests	23	629	606	(864)	(98)	766
Net Income/(Loss)	\$ 892	\$ 2,447	\$ 1,555	\$ 4,055	\$ 2,882	\$ (1,173)

(a) See *Non-GAAP Financial Measure Reconciliations* section for reconciliation to GAAP.

The year-over-year increase of \$1,555 million in net income is primarily explained by lower special item charges, including lower charges related to the cancellation of a previously planned all-electric three-row SUV program, and increased tax benefits, including the tax special items described on page 37. The increase of \$36 million in Company adjusted EBIT in the third quarter of 2025 primarily reflects higher Ford Pro EBIT and Ford Credit EBT, offset partially by lower Model e and Ford Blue EBIT.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

The tables below and on the following pages provide third quarter and first nine months of 2025 key metrics and the change in third quarter 2025 EBIT compared with third quarter 2024 by causal factor for each of our Ford Blue, Ford Model e, and Ford Pro segments. For a description of these causal factors, see *Definitions and Information Regarding Ford Blue, Ford Model e, and Ford Pro Causal Factors*.

Ford Blue Segment

Key Metrics	Third Quarter			First Nine Months		
	2024	2025	H / (L)	2024	2025	H / (L)
Wholesale Units (000) (a)	721	733	12	2,088	2,016	(72)
Revenue (\$M)	\$ 26,238	\$ 28,018	\$ 1,780	\$ 74,662	\$ 74,799	\$ 137
EBIT (\$M)	1,624	1,540	(84)	3,692	2,297	(1,395)
EBIT Margin (%)	6.2%	5.5%	(0.7) pts	4.9%	3.1%	(1.9) pts

(a) Includes Ford and Lincoln brand and JMC brand vehicles produced and sold in China by our unconsolidated affiliates (about 101,000 units in Q3 2024 and 90,000 units in Q3 2025).

Change in EBIT by Causal Factor (in millions)

Third Quarter 2024 EBIT	\$ 1,624
Volume / Mix	331
Net Pricing	435
Cost	(555)
Exchange	(155)
Other	(140)
Third Quarter 2025 EBIT	\$ 1,540

In the third quarter of 2025, Ford Blue's wholesales increased 2% from a year ago. The increase primarily reflects higher sales of vehicles manufactured and sold to other OEMs through existing alliance agreements and higher wholesales in North America, offset partially by lower passenger vehicle sales in Europe and lower sales at our joint ventures in China. Third quarter 2025 revenue increased 7%, driven primarily by higher wholesales, favorable net pricing, and improved mix.

Ford Blue's third quarter 2025 EBIT was \$1,540 million, a decrease of \$84 million from a year ago, with an EBIT margin of 5.5%. The lower EBIT primarily reflects higher costs, including tariffs, and adverse exchange, offset partially by favorable net pricing and higher volume and mix. Excluding tariffs, cost improved year-over-year, reflecting ongoing cost reduction initiatives, including lower material and warranty costs.

Ford Model e Segment

Key Metrics	Third Quarter			First Nine Months		
	2024	2025	H / (L)	2024	2025	H / (L)
Wholesale Units (000)	32	50	18	68	141	73
Revenue (\$M)	\$ 1,175	\$ 1,783	\$ 608	\$ 2,441	\$ 5,382	\$ 2,941
EBIT (\$M)	(1,231)	(1,410)	(179)	(3,708)	(3,588)	120
EBIT Margin (%)	(104.8)%	(79.1)%	25.7 pts	(151.9)%	(66.7)%	85.2 pts

Change in EBIT by Causal Factor (in millions)

Third Quarter 2024 EBIT	\$	(1,231)
Volume / Mix		61
Net Pricing		(128)
Cost		41
Exchange		(32)
Other		(121)
Third Quarter 2025 EBIT	\$	(1,410)

In the third quarter of 2025, Ford Model e's wholesales increased significantly from a year ago, primarily reflecting the introduction of EV products in Europe, including the Puma Gen-E and Capri, and higher F-150 Lightning wholesales in North America. Third quarter 2025 revenue increased by \$608 million, primarily reflecting higher wholesales.

Ford Model e's third quarter 2025 EBIT loss was \$1,410 million, a \$179 million higher loss than a year ago, with an EBIT margin of negative 79.1%. The increased EBIT loss was primarily driven by adverse net pricing, a one-time charge related to the Louisville Assembly Plant changeover (included in Other), and unfavorable exchange, offset partially by higher volume and lower costs. The lower costs include lower material and warranty costs, which more than offset increased tariff-related costs.

Ford Pro Segment

Key Metrics	Third Quarter			First Nine Months		
	2024	2025	H / (L)	2024	2025	H / (L)
Wholesale Units (000) (a)	342	373	31	1,125	1,154	29
Revenue (\$M)	\$ 15,655	\$ 17,378	\$ 1,723	\$ 50,662	\$ 51,356	\$ 694
EBIT (\$M)	1,813	1,985	172	7,381	5,612	(1,769)
EBIT Margin (%)	11.6%	11.4%	(0.2) pts	14.6%	10.9%	(3.6) pts

(a) Includes Ford brand vehicles produced and sold by our unconsolidated affiliate Ford Otosan in Türkiye (about 21,000 units in Q3 2024 and 23,000 in Q3 2025).

Change in EBIT by Causal Factor (in millions)

Third Quarter 2024 EBIT	\$	1,813
Volume / Mix		475
Net Pricing		(254)
Cost		(50)
Exchange		41
Other		(40)
Third Quarter 2025 EBIT	\$	1,985

In the third quarter of 2025, Ford Pro's wholesales increased 9% from a year ago, driven by higher daily rental volume in North America and higher sales of the Transit family of vehicles, including the introduction of the E-Transit Custom and E-Transit Courier in Europe. Third quarter 2025 revenue increased 11%, primarily reflecting higher wholesales and favorable exchange, offset partially by moderated pricing across fleets (including daily rental).

Ford Pro's third quarter 2025 EBIT was \$1,985 million, an increase of \$172 million from a year ago, with an EBIT margin of 11.4%. The higher EBIT was primarily driven by higher volume and favorable exchange, offset partially by unfavorable fleet pricing (including daily rental) and higher cost. Excluding tariffs, cost improved year-over-year, driven by lower warranty and material costs.

Definitions and Information Regarding Ford Blue, Ford Model e, and Ford Pro Causal Factors

In general, we measure year-over-year change in Ford Blue, Ford Model e, and Ford Pro segment EBIT using the causal factors listed below, with net pricing and cost variances calculated at present-period volume and mix and exchange:

- **Market Factors** (exclude the impact of unconsolidated affiliate wholesale units):
 - **Volume and Mix** – primarily measures EBIT variance from changes in wholesale unit volumes (at prior-year average contribution margin per unit) driven by changes in industry volume, market share, and dealer stocks, as well as the EBIT variance resulting from changes in product mix, including mix among vehicle lines and mix of trim levels and options within a vehicle line
 - **Net Pricing** – primarily measures EBIT variance driven by changes in wholesale unit prices to dealers and marketing incentive programs such as rebate programs, low-rate financing offers, special lease offers, and stock adjustments on dealer inventory
- **Cost:**
 - **Contribution Costs** – primarily measures EBIT variance driven by per-unit changes in cost categories that typically vary with volume, such as material costs (including commodity and component costs), warranty expense, and freight and duty (including tariff) costs
 - **Structural Costs** – primarily measures EBIT variance driven by absolute change in cost categories that typically do not have a directly proportionate relationship to production volume. Structural costs include the following cost categories:
 - **Manufacturing, Including Volume-Related** – consists primarily of costs for hourly and salaried manufacturing personnel, plant overhead (such as utilities and taxes), and new product launch expense. These costs could be affected by volume for operating pattern actions such as overtime, line-speed, and shift schedules
 - **Engineering and Connectivity** – consists primarily of costs for vehicle and software engineering personnel, prototype materials, testing, and outside engineering and software services
 - **Spending-Related** – consists primarily of depreciation and amortization of our manufacturing and engineering assets, but also includes asset retirements and operating leases
 - **Advertising and Sales Promotions** – includes costs for advertising, marketing programs, brand promotions, customer mailings and promotional events, and auto shows
 - **Administrative, Information Technology, and Selling** – includes primarily costs for salaried personnel and purchased services related to our staff activities, information technology, and selling functions
- **Exchange** – primarily measures EBIT variance driven by one or more of the following: (i) transactions denominated in currencies other than the functional currencies of the relevant entities, (ii) effects of converting functional currency income to U.S. dollars, (iii) effects of remeasuring monetary assets and liabilities of the relevant entities in currencies other than their functional currency, or (iv) results of our foreign currency hedging
- **Other** – includes a variety of items, such as parts and services earnings, royalties, government incentives, compensation-related changes, and regulatory compliance expenses

In addition, definitions and calculations used in this report include:

- **Wholesales and Revenue** – wholesale unit volumes include all Ford and Lincoln badged units (whether produced by Ford or by an unconsolidated affiliate) that are sold to dealerships or others, units manufactured by Ford that are sold to other manufacturers, units distributed by Ford for other manufacturers, and local brand units produced by our China joint venture, Jiangling Motors Corporation, Ltd. ("JMC"), that are sold to dealerships or others. Vehicles sold to daily rental car companies that are subject to a guaranteed repurchase option (i.e., rental repurchase), as well as other sales of finished vehicles for which the recognition of revenue is deferred (e.g., consignments), also are included in wholesale unit volumes. Revenue from certain vehicles in wholesale unit volumes (specifically, Ford badged vehicles produced and distributed by our unconsolidated affiliates, as well as JMC brand vehicles) are not included in our revenue. Excludes transactions between Ford Blue, Ford Model e, and Ford Pro segments
- **Industry Volume and Market Share** – based, in part, on estimated vehicle registrations; includes medium and heavy duty trucks
- **SAAR** – seasonally adjusted annual rate

Ford Credit Segment

Ford Credit files periodic reports with the SEC that contain additional information regarding Ford Credit. The reports are available through Ford Credit's website located at www.ford.com/finance/investor-center and can also be found on the SEC's website located at www.sec.gov. The foregoing information regarding Ford Credit's website and its content is for convenience only and not deemed to be incorporated by reference into this Report nor filed with the SEC.

The tables below provide third quarter and first nine months of 2025 key metrics and the change in third quarter 2025 EBT compared with third quarter 2024 by causal factor for the Ford Credit segment. For a description of these causal factors, see *Definitions and Information Regarding Ford Credit Causal Factors*.

Key Metrics	Third Quarter			First Nine Months		
	2024	2025	H / (L)	2024	2025	H / (L)
Total Net Receivables (\$B)	\$ 142.2	\$ 145.7	\$ 3.5			
Loss-to-Receivables (bps) (a)	57	62	5	48	58	10
Auction Values (b)	\$ 31,245	\$ 32,195	3%	\$ 30,595	\$ 31,715	4%
EBT (\$M)	544	631	\$ 87	1,213	1,856	\$ 643
ROE (%)	14.1%	15.1%	1.0 pts	9.6%	14.1%	4.5 pts
Other Balance Sheet Metrics						
Debt (\$B)	\$ 136.7	\$ 140.2	\$ 3.5			
Net Liquidity (\$B)	29.6	28.1	(1.5)			
Financial Statement Leverage (to 1)	9.7	9.5	(0.2)			

(a) U.S. retail financing only.

(b) U.S. portfolio off-lease third quarter auction values at Q3 2025 mix and YTD amounts at YTD 2025 mix.

Change in EBT by Causal Factor (in millions)

Third Quarter 2024 EBT	\$ 544
Volume / Mix	20
Financing Margin	194
Credit Loss	(36)
Lease Residual	(4)
Exchange	7
Other	(94)
Third Quarter 2025 EBT	\$ 631

Ford Credit's total net receivables of \$145.7 billion were 2% higher than a year ago, explained primarily by a larger operating lease portfolio. The third quarter 2025 U.S. loss-to-receivables ("LTR") ratio of 62 basis points increased from a year ago, reflecting increased loss severity and higher repossessions. U.S. auction values increased 3% year over year, reflecting industrywide low used vehicle supply and high demand.

Ford Credit's third quarter 2025 EBT of \$631 million was \$87 million higher than a year ago, explained primarily by higher financing margin and receivables, offset partially by Other and higher credit losses. Other reflects a charge related to an industrywide review by the U.K. Financial Conduct Authority into the historical use of dealer commissions and the non-recurrence of a realized gain on accumulated foreign currency translation related to Europe restructuring in third quarter 2024, offset partially by the non-recurrence of a negative derivative market valuation adjustment.

Definitions and Information Regarding Ford Credit Causal Factors

In general, we measure year-over-year changes in Ford Credit's EBT using the causal factors listed below:

- **Volume and Mix:**
 - Volume primarily measures changes in net financing margin driven by changes in average net receivables excluding the allowance for credit losses at prior period financing margin yield (defined below in financing margin) at prior period exchange rates. Volume changes are primarily driven by the volume of new and used vehicles sold and leased, the extent to which Ford Credit purchases retail financing and operating lease contracts, the extent to which Ford Credit provides wholesale financing, the sales price of the vehicles financed, the level of dealer inventories, Ford-sponsored special financing programs available exclusively through Ford Credit, and the availability of cost-effective funding
 - Mix primarily measures changes in net financing margin driven by period-over-period changes in the composition of Ford Credit's average net receivables excluding the allowance for credit losses by product within each region
- **Financing Margin:**
 - Financing margin variance is the period-over-period change in financing margin yield multiplied by the present period average net receivables excluding the allowance for credit losses at prior period exchange rates. This calculation is performed at the product and country level and then aggregated. Financing margin yield equals revenue, less interest expense and scheduled depreciation for the period, divided by average net receivables excluding the allowance for credit losses for the same period
 - Financing margin changes are driven by changes in revenue and interest expense. Changes in revenue are primarily driven by the level of market interest rates, cost assumptions in pricing, mix of business, and competitive environment. Changes in interest expense are primarily driven by the level of market interest rates, borrowing spreads, and asset-liability management
- **Credit Loss:**
 - Credit loss is the change in the provision for credit losses at prior period exchange rates. For analysis purposes, management splits the provision for credit losses into net charge-offs and the change in the allowance for credit losses
 - Net charge-off changes are primarily driven by the number of repossessions, severity per repossession, and recoveries. Changes in the allowance for credit losses are primarily driven by changes in historical trends in credit losses and recoveries, changes in the composition and size of Ford Credit's present portfolio, changes in trends in historical used vehicle values, and changes in forward looking macroeconomic conditions. For additional information, refer to the "Critical Accounting Estimates - Allowance for Credit Losses" section of Item 7 of Part II of our 2024 Form 10-K Report
- **Lease Residual:**
 - Lease residual measures changes to residual performance at prior period exchange rates. For analysis purposes, management splits residual performance primarily into residual gains and losses, and the change in accumulated supplemental depreciation
 - Residual gain and loss changes are primarily driven by the number of vehicles returned to Ford Credit and sold, and the difference between the auction value and the depreciated value (which includes both base and accumulated supplemental depreciation) of the vehicles sold. Changes in accumulated supplemental depreciation are primarily driven by changes in Ford Credit's estimate of the expected auction value at the end of the lease term and changes in Ford Credit's estimate of the number of vehicles that will be returned to it and sold. Depreciation on vehicles subject to operating leases includes early termination losses on operating leases due to customer default events. For additional information, refer to the "Critical Accounting Estimates - Accumulated Depreciation on Vehicles Subject to Operating Leases" section of Item 7 of Part II of our 2024 Form 10-K Report
- **Exchange:**
 - Reflects changes in EBT driven by the effects of converting functional currency income to U.S. dollars
- **Other:**
 - Primarily includes operating expenses, other revenue, insurance expenses, and other income/(loss) at prior period exchange rates
 - Changes in operating expenses are primarily driven by salaried personnel costs, facilities costs, and costs associated with the origination and servicing of customer contracts
 - In general, other income/(loss) changes are primarily driven by changes in earnings related to market valuation adjustments to derivatives (primarily related to movements in interest rates) and other miscellaneous items

In addition, the following definitions and calculations apply to Ford Credit when used in this Report:

- **Cash** (as shown in the Funding Structure and Liquidity tables) – Cash, cash equivalents, marketable securities, and restricted cash, excluding amounts related to insurance activities
- **Debt** (as shown in the Key Metrics and Leverage tables) – Debt on Ford Credit's balance sheets. Includes debt issued in securitizations and payable only out of collections on the underlying securitized assets and related enhancements. Ford Credit holds the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions
- **Earnings Before Taxes ("EBT")** – Reflects Ford Credit's income before income taxes
- **Loss-to-Receivables ("LTR") Ratio** – LTR ratio is calculated using net charge-offs divided by average finance receivables, excluding unearned interest supplements and the allowance for credit losses
- **Return on Equity ("ROE")** (as shown in the Key Metrics table) – Reflects return on equity calculated by annualizing net income for the period and dividing by monthly average equity for the period
- **Securitization and Restricted Cash** (as shown in the Liquidity table) – Securitization cash is held for the benefit of the securitization investors (for example, a reserve fund). Restricted cash primarily includes cash held to meet certain local governmental and regulatory reserve requirements and cash held under the terms of certain contractual agreements
- **Securitizations** (as shown in the Public Term Funding Plan table) – Public securitization transactions, Rule 144A offerings sponsored by Ford Credit, and widely distributed offerings by Ford Credit Canada
- **Term Asset-Backed Securities** (as shown in the Funding Structure table) – Obligations issued in securitization transactions that are payable only out of collections on the underlying securitized assets and related enhancements
- **Total Net Receivables** (as shown in the Key Metrics table) – Includes finance receivables (retail financing and wholesale) sold for legal purposes and net investment in operating leases included in securitization transactions that do not satisfy the requirements for accounting sale treatment. These receivables and operating leases are reported on Ford Credit's balance sheets and are available only for payment of the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions; they are not available to pay the other obligations of Ford Credit or the claims of Ford Credit's other creditors

Corporate Other

Corporate Other primarily includes corporate governance expenses, past service pension and OPEB income and expense, interest income (excluding Ford Credit interest income and interest earned on our extended service contract portfolio) and gains and losses from our cash, cash equivalents, and marketable securities, and foreign exchange derivatives gains and losses associated with intercompany lending. Corporate governance expenses are primarily administrative, delivering benefit on behalf of the global enterprise, that are not allocated to operating segments. These include expenses related to setting and directing global policy, providing oversight and stewardship, and promoting the Company's interests. In the third quarter of 2025, Corporate Other had a \$160 million EBIT loss, compared to a \$200 million EBIT loss a year ago.

Interest on Debt

Interest on Debt, which consists of interest expense on Company debt excluding Ford Credit, was \$321 million in the third quarter of 2025, \$49 million higher than a year ago.

Taxes

Our *Provision for/(Benefit from) income taxes* for the third quarter and first nine months of 2025 was a benefit of \$630 million and a provision of \$88 million, respectively. This resulted in an effective tax rate of negative 34.7% for the third quarter and 3.0% for the first nine months. During the third quarter, these rates were impacted by a net benefit of \$1.4 billion associated with the release of a valuation allowance resulting from improvements in our South American operations. The third quarter and first nine months rates were also impacted by a non-cash charge of \$424 million to deferred tax assets to recognize the impact of tax legislation enacted in Germany during the quarter. In addition, the nine-month rate was impacted by a non-cash charge of \$471 million to deferred tax assets recorded in the second quarter associated with resolving transfer pricing matters in certain non-U.S. operations. The foregoing were treated as special items.

Our third quarter and first nine months 2025 adjusted effective tax rates, which exclude special items, were 19.6% and 19.8%, respectively.

On July 4, 2025, P.L. 119-21 (otherwise known as the "One Big Beautiful Bill Act") was signed into law. We have analyzed the provisions within the act and determined there was no material impact in the third quarter of 2025, nor do we expect a material impact on our 2025 consolidated financial statements.

We regularly review our organizational structure and income tax elections for affiliates in non-U.S. and U.S. tax jurisdictions, which may result in changes in affiliates that are included in or excluded from our U.S. tax return. Any future changes to our structure, as well as any changes in income tax laws in the countries that we operate, could cause increases or decreases to our deferred tax balances and related valuation allowances.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2025, total cash, cash equivalents, marketable securities, and restricted cash, including Ford Credit and entities held for sale, was \$42.5 billion.

We consider our key balance sheet metrics to be: (i) Company cash, which includes cash equivalents, marketable securities, and restricted cash (including cash held for sale), excluding Ford Credit's cash, cash equivalents, marketable securities, and restricted cash; and (ii) Company liquidity, which includes Company cash, less restricted cash, and total available committed credit lines, excluding Ford Credit's total available committed credit lines.

Company excluding Ford Credit

	December 31, 2024	September 30, 2025
Balance Sheets (\$B)		
Company Cash	\$ 28.5	\$ 32.9
Liquidity	46.7	54.0
Debt (excluding finance leases)	(19.9)	(20.9)
Cash Net of Debt (excluding finance leases)	8.7	12.0
Pension Funded Status (\$B) (a)		
Funded Plans	\$ 3.4	\$ 4.0
Unfunded Plans	(3.9)	(3.6)
Total Global Pension	<u>\$ (0.5)</u>	<u>\$ 0.4</u>
Total Funded Status OPEB	\$ (4.4)	\$ (4.4)

(a) Balances at September 30, 2025 reflect net funded status at December 31, 2024, updated for: service and interest cost; expected return on assets; curtailments, settlements, and associated interim remeasurement (where applicable); separation expense; actual benefit payments; and cash contributions. The discount rate and rate of expected return assumptions are unchanged from year-end 2024.

Liquidity. Our key priority is to maintain a strong balance sheet to withstand potential stress scenarios, while having resources available to invest in and grow our business. At September 30, 2025, we had Company cash of \$32.9 billion and liquidity of \$54.0 billion. At September 30, 2025, about 87% of Company cash was held by consolidated entities domiciled in the United States.

To be prepared for an economic downturn and other stress scenarios, we target an ongoing Company cash balance at or above \$20 billion plus significant additional liquidity above our Company cash target. We expect to have periods when we will be above or below this amount due to: (i) future cash flow expectations, such as for investments in future opportunities, capital investments, debt maturities, pension contributions, or restructuring requirements, (ii) short-term timing differences, and (iii) changes in the global economic or operating environment.

Our Company cash investments primarily include U.S. Department of Treasury obligations, federal agency securities, bank time deposits with investment-grade institutions, investment-grade corporate securities, investment-grade commercial paper, and debt obligations of a select group of non-U.S. governments, non-U.S. governmental agencies, and supranational institutions. The average maturity of these investments is approximately one year and adjusted based on market conditions and liquidity needs. We monitor our Company cash levels and average maturity on a daily basis.

Material Cash Requirements. Our material cash requirements include:

- Capital expenditures (for additional information, see the "Changes in Company Cash" section below) and other payments for engineering, software, product development, and implementation of our plans for electric vehicles
- Purchase of raw materials and components to support the manufacturing and sale of vehicles (including electric vehicles), parts, accessories, and payment of tariffs (for additional information, see the Aggregate Contractual Obligations table and the accompanying description of our "Purchase obligations" in the "Liquidity and Capital Resources - Company Excluding Ford Credit" section in Item 7 of our 2024 Form 10-K Report)
- Purchase of regulatory compliance credits
- Marketing incentive payments to dealers
- Payments for warranty and field service actions (for additional information, see Note 18 of the Notes to the Financial Statements herein)
- Debt repayments including finance lease payments (for additional information, see the Aggregate Contractual Obligations table in the "Liquidity and Capital Resources - Company Excluding Ford Credit" section in Item 7 and Note 18 of the Notes to the Financial Statements in our 2024 Form 10-K Report)
- Discretionary and mandatory payments to our global pension plans (for additional information, see the "Liquidity and Capital Resources - Total Company" section in Item 7 of our 2024 Form 10-K Report, the "Changes in Company Cash" section below, and Note 11 of the Notes to the Financial Statements herein)
- Employee wages, benefits, and incentives
- Operating lease payments (for additional information, see the Aggregate Contractual Obligations table in the "Liquidity and Capital Resources - Company Excluding Ford Credit" section in Item 7 and Note 17 of the Notes to the Financial Statements in our 2024 Form 10-K Report)
- Cash effects related to the restructuring of our business
- Strategic acquisitions and investments to grow our business, including electrification

Subject to approval by our Board of Directors, shareholder distributions in the form of dividend payments and/or a share repurchase program (including share repurchases to offset the anti-dilutive effect of increased share-based compensation) may require the expenditure of a material amount of cash. We target shareholder distributions of 40% to 50% of adjusted free cash flow. Moreover, we may be subject to additional material cash requirements that are contingent upon the occurrence of certain events, e.g., legal contingencies, uncertain tax positions, and other matters.

We plan to utilize our liquidity (as described above) and our cash flows from business operations to fund our material cash requirements.

Changes in Company Cash. In managing our business, we classify changes in Company cash into operating and non-operating items. Operating items include: Company adjusted EBIT excluding Ford Credit EBT; capital spending; depreciation and tooling amortization; changes in working capital; Ford Credit distributions; interest on debt; cash taxes; and all other and timing differences (including timing differences between accrual-based EBIT and associated cash flows). Non-operating items include: restructuring costs; changes in Company debt excluding Ford Credit and finance lease payments; finance lease payments; contributions to funded pension plans; shareholder distributions; and other items (including gains and losses on investments in equity securities, acquisitions and divestitures, equity investments, and other transactions with Ford Credit).

With respect to "Changes in working capital," in general, the Company excluding Ford Credit carries relatively low trade receivables compared with our trade payables because the majority of our wholesales are financed (primarily by Ford Credit) immediately upon the sale of vehicles to dealers, which generally occurs shortly after being produced. In contrast, our trade payables are based primarily on industry-standard production supplier payment terms of about 45 days. As a result, our cash flow deteriorates if wholesale volumes (and the corresponding revenue) decrease while trade payables continue to become due. Conversely, our cash flow improves if wholesale volumes (and the corresponding revenue) increase while new trade payables are generally not due for about 45 days. For example, the suspension of production at most of our assembly plants and lower industry volumes due to COVID-19 in early 2020 resulted in an initial deterioration of our cash flow, while the subsequent resumption of manufacturing operations and return to pre-COVID-19 production levels at most of our assembly plants resulted in a subsequent improvement of our cash flow. Disruptions to our production due to supplier shortages or otherwise may have similar cash flow timing impacts. Even in normal economic conditions, however, these working capital balances generally are subject to seasonal changes that can impact cash flow. For example, we typically experience cash flow timing differences associated with inventories and payables due to our annual shutdown periods when production, and therefore inventories and wholesale volumes, are usually at their lowest levels, while payables continue to come due and be paid. The net impact of this typically results in cash outflows from changes in our working capital balances during these shutdown periods.

In response to, or in anticipation of, supplier disruptions, we may stockpile certain components or raw materials to help prevent disruption in our production of vehicles. Such actions could have a short-term adverse impact on our cash and increase our inventory. Moreover, in order to secure critical materials for production of electric vehicles, we have entered into and we may, in the future, enter into offtake agreements with raw material suppliers and make investments in certain raw material and battery suppliers, including contributing up to a maximum of \$6.6 billion in capital to BlueOval SK, LLC ("BOSK") over a five-year period ending in 2026. As of September 30, 2025, we have recognized contributions (net of returns of capital) to BOSK of \$2.9 billion (for additional information, see Note 17 of the Notes to the Financial Statements herein). Our actual capital outlay could vary significantly based on the final project costs and potential financing opportunities. Such investments could have an additional adverse impact on our cash in the near-term.

The terms of the offtake agreements we have entered into, and those we may enter into in the future, vary by transaction, though they generally obligate us to purchase a certain percentage or minimum amount of output produced by the counterparty over an agreed upon period of time. The purchase price mechanisms included in the offtake agreements are typically based on the market price of the material at the time of delivery. The terms may also include conditions to our obligation to purchase the materials, such as quality or minimum output. Subject to satisfaction of those conditions, we will be obligated to purchase the materials or otherwise compensate the supplier in an amount determined by the contract. As of September 30, 2025, our estimated expenditures for the maximum quantity that we are committed to purchase under these offtake agreements through 2035, subject to certain conditions, consist of approximately \$1.4 billion of purchase obligations and approximately \$4.2 billion of contingent purchase obligations based on our present forecast; however, our forecast could fluctuate from period to period based on market prices, which may result in significant increases or decreases in our estimate. The actual price paid for these materials will be recorded on our balance sheet at the time of purchase. In the event that we do not expect to consume all of the materials we are obligated to purchase pursuant to the terms of these agreements, we may sell the excess materials back to the supplier or another party. The resale price may or may not be the same as the original purchase price, depending on then-current market conditions and negotiated terms. As a result, we have recorded, and may in the future record, accruals related to either the resale when the purchase price mechanism under our agreements is higher than the expected resale price of the excess materials or when we are required to otherwise compensate the supplier. Accruals recorded to date for such items have been immaterial.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

As market conditions dictate, we have entered, and may in the future enter, into additional offtake agreements with raw material suppliers or renegotiate existing agreements. In addition, as mentioned above, we may seek to resell excess materials. See Item 1A. Risk Factors in our 2024 Form 10-K Report and as updated by our subsequent filings with the SEC for a discussion of the risks related to our offtake agreements and other long-term purchase contracts.

Financial institutions participate in a supply chain finance ("SCF") program that enables our suppliers, at their sole discretion, to sell their Ford receivables (i.e., our payment obligations to the suppliers) to the financial institutions on a non-recourse basis in order to be paid earlier than our payment terms provide. Our suppliers' voluntary inclusion of invoices in the SCF program has no bearing on our payment terms, the amounts we pay, or our liquidity. We have no economic interest in a supplier's decision to participate in the SCF program, and we do not provide any guarantees in connection with it. As of September 30, 2025, the outstanding amount of Ford receivables that suppliers elected to sell to the SCF financial institutions was \$188 million. The amount settled through the SCF program during the first nine months of 2025 was \$951 million.

Changes in Company cash excluding Ford Credit are summarized below (in billions):

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
<u>Company Excluding Ford Credit</u>				
Company Adjusted EBIT excluding Ford Credit (a)	\$ 2.0	\$ 2.0	\$ 6.9	\$ 3.9
Capital spending	\$ (2.0)	\$ (2.1)	\$ (6.1)	\$ (5.9)
Depreciation and tooling amortization	1.2	1.3	3.8	3.8
Net spending	\$ (0.7)	\$ (0.8)	\$ (2.3)	\$ (2.1)
Receivables	\$ 0.2	\$ 0.1	\$ —	\$ (2.1)
Inventory	(0.5)	0.7	(2.3)	(0.7)
Trade Payables	1.1	0.4	1.9	3.7
Changes in working capital	\$ 0.8	\$ 1.2	\$ (0.4)	\$ 0.9
Ford Credit distributions	\$ 0.2	\$ 0.4	\$ 0.3	\$ 1.1
Interest on debt and cash taxes	(0.5)	(0.4)	(1.7)	(1.3)
All other and timing differences	1.4	2.0	3.2	3.2
Company adjusted free cash flow (a)	\$ 3.2	\$ 4.3	\$ 5.9	\$ 5.7
Restructuring	\$ (0.2)	\$ —	\$ (0.7)	\$ 0.1
Changes in debt excluding finance lease payments	—	1.5	0.4	0.8
Finance lease payments	—	—	(0.1)	(0.1)
Funded pension contributions	(0.3)	(0.2)	(1.0)	(0.7)
Shareholder distributions	(0.6)	(0.6)	(2.8)	(2.4)
All other	(0.7)	(0.5)	(2.7)	1.0
Change in cash	\$ 1.3	\$ 4.4	\$ (1.0)	\$ 4.3

(a) See *Non-GAAP Financial Measure Reconciliations* section for reconciliation to GAAP.

Note: Numbers may not sum due to rounding.

Our third quarter 2025 *Net cash provided by/(used in) operating activities* was \$7.4 billion, \$1.9 billion higher than a year ago (see page 62 for additional information). The increase primarily reflects higher net income and higher Ford Credit operating cash flows. Company adjusted free cash flow was \$4.3 billion, \$1.1 billion higher than a year ago, primarily driven by timing differences, improved working capital, higher Ford Credit distributions, and lower cash taxes.

Capital spending was \$2.1 billion in the third quarter of 2025, about flat compared to a year ago. We continue to expect full year 2025 capital spending to be about \$9 billion.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Third quarter 2025 working capital impact was \$1.2 billion, driven by lower inventory, higher payables, and lower receivables, each compared to June 30, 2025. All other and timing differences were \$2.0 billion. Timing differences include differences between accrual-based EBIT and the associated cash flows (e.g., marketing incentive and warranty payments to dealers, JV equity income, compensation payments, and pension and OPEB income or expense). Cash outflows related to our warranty accruals are expected to occur over several years.

In the third quarter of 2025, we contributed \$187 million to our global funded pension plans. We now expect to contribute about \$750 million to our global funded pension plans in 2025.

Shareholder distributions were \$0.6 billion in the third quarter of 2025, all of which was attributable to our regular dividend.

Available Credit Lines. Total Company committed credit lines, excluding Ford Credit, at September 30, 2025 were \$23.6 billion, consisting of \$13.5 billion of our corporate credit facility, \$2.0 billion of our supplemental revolving credit facility, \$2.5 billion of our 364-day revolving credit facility, \$3.0 billion of our delayed draw term loan facility (as discussed below), and \$2.6 billion of local credit facilities. At September 30, 2025, \$2.4 billion of committed Company credit lines, excluding Ford Credit, was utilized under local credit facilities for our affiliates, and the full amount under each of our corporate, supplemental, 364-day, and delayed draw term loan credit facilities was available.

Lenders under our corporate credit facility have \$3.4 billion of commitments maturing on April 17, 2028 and \$10.1 billion of commitments maturing on April 17, 2030. Lenders under our supplemental revolving credit facility have \$2.0 billion of commitments maturing on April 17, 2028. Lenders under our 364-day revolving credit facility have \$2.5 billion of commitments maturing on April 16, 2026.

As previously reported, on July 28, 2025, we closed on a \$3 billion delayed draw term loan facility, further strengthening our liquidity and providing additional financial flexibility. The commitments under the delayed draw term loan facility are available through July 28, 2026. Any unused commitments shall automatically terminate after July 28, 2026, and any loans drawn under the facility will mature on December 31, 2028.

The corporate, supplemental, and 364-day credit agreements include certain sustainability-linked targets, pursuant to which the applicable margin and facility fees may be adjusted if Ford achieves, or fails to achieve, the specified targets related to global manufacturing facility greenhouse gas emissions, carbon-free electricity consumption, and Ford Europe CO₂ tailpipe emissions. For the most recent performance period, Ford outperformed the global manufacturing facility greenhouse gas emissions and carbon-free electricity consumption metrics, and it was on target for the Ford Europe CO₂ tailpipe emissions metric.

The corporate credit facility is unsecured and free of material adverse change conditions to borrowing, restrictive financial covenants (for example, interest or fixed-charge coverage ratio, debt-to-equity ratio, and minimum net worth requirements), and credit rating triggers that could limit our ability to obtain funding or trigger early repayment. The corporate credit facility contains a liquidity covenant that requires us to maintain a minimum of \$4 billion in aggregate of domestic cash, cash equivalents, and loaned and marketable securities and/or availability under the corporate credit facility, supplemental revolving credit facility, and 364-day revolving credit facility. If our senior, unsecured, long-term debt does not maintain at least two investment grade ratings from Fitch, Moody's, and S&P, the guarantees of certain subsidiaries will be required. The terms and conditions of the supplemental and 364-day revolving credit facilities and the delayed draw term loan facility are consistent with our corporate credit facility. Ford Credit has been designated as a subsidiary borrower under the corporate credit facility and the 364-day revolving credit facility.

As previously reported, on July 23, 2025, Ford Motor Company Limited, our operating subsidiary in the United Kingdom ("Ford of Britain"), entered into a £1 billion term loan credit facility with a syndicate of banks to support Ford of Britain's general export activities. Accordingly, U.K. Export Finance ("UKEF") provided an £800 million guarantee of the credit facility under its Export Development Guarantee scheme, which supports high value commercial lending to U.K. exporters. We have also guaranteed Ford of Britain's obligations under the credit facility to the lenders. On July 28, 2025, Ford of Britain drew the full £1 billion available under the facility. This seven-year, partially amortizing loan matures on July 23, 2032.

Debt. As shown in Note 12 of the Notes to the Financial Statements, at September 30, 2025, Company debt excluding Ford Credit was \$21.8 billion (including \$0.9 billion of finance leases). This balance is \$1.1 billion higher than at December 31, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Leverage. We manage Company debt (excluding Ford Credit) levels with a leverage framework that targets investment grade credit ratings through a normal business cycle. The leverage framework includes a ratio of total Company debt (excluding Ford Credit), underfunded pension liabilities, operating leases, and other adjustments, divided by Company adjusted EBIT (excluding Ford Credit EBT), and further adjusted to exclude depreciation and tooling amortization (excluding Ford Credit).

Ford Credit's leverage is calculated separately as described in the "Liquidity and Capital Resources - Ford Credit Segment" section of Item 2. Ford Credit is self-funding and its debt, which is used to fund its operations, is separate from our Company debt excluding Ford Credit.

Ford Credit Segment

Ford Credit remains well capitalized with a strong balance sheet and funding diversified across platforms and markets. Ford Credit ended the third quarter of 2025 with \$28.1 billion of liquidity, up \$2.9 billion from year-end. Ford Credit completed \$23 billion of public term issuances through October 22, 2025.

Key elements of Ford Credit's funding strategy include:

- Maintain strong liquidity and funding diversity
- Prudently access public markets
- Continue to leverage retail deposits in Europe
- Flexibility to increase asset-backed securities mix as needed; preserving assets and committed capacity
- Target financial statement leverage of 9:1 to 10:1
- Maintain self-liquidating balance sheet

Ford Credit's liquidity profile continues to be diverse, robust, and focused on maintaining liquidity levels that meet its business and funding requirements. Ford Credit regularly stress tests its balance sheet and liquidity to ensure that it can continue to meet its financial obligations through economic cycles.

The following table shows funding for Ford Credit's net receivables (in billions):

	September 30, 2024	December 31, 2024	September 30, 2025
Funding Structure			
Term unsecured debt	\$ 61.7	\$ 59.2	\$ 64.8
Term asset-backed securities	56.3	60.4	56.7
Retail Deposits / Ford Interest Advantage	18.7	18.3	18.7
Other	0.1	1.2	(0.4)
Equity	14.0	13.8	14.7
Cash	(8.6)	(9.3)	(8.8)
Total Net Receivables	<u>\$ 142.2</u>	<u>\$ 143.6</u>	<u>\$ 145.7</u>
Securitized Funding as Percent of Total Debt	41.2%	43.8%	40.4%

Net receivables of \$145.7 billion at September 30, 2025 were funded primarily with term unsecured debt and term asset-backed securities. Securitized funding as a percent of total debt was 40.4% as of September 30, 2025.

Public Term Funding Plan. The following table shows Ford Credit's issuances for full year 2023 and 2024, planned issuances for full year 2025, and its global public term funding issuances through October 22, 2025, excluding short-term funding programs (in billions):

	2023 Actual	2024 Actual	2025 Forecast	Through October 22
Unsecured	\$ 14	\$ 17	\$ 11 - 13	\$ 11
Securitizations (a)	14	16	12 - 14	12
Total public	<u>\$ 28</u>	<u>\$ 33</u>	<u>\$ 23 - 27</u>	<u>\$ 23</u>

(a) See *Definitions and Information Regarding Ford Credit Causal Factors* section.

For 2025, Ford Credit now projects full year public term funding in the range of \$23 billion to \$27 billion.

Liquidity. The following table shows Ford Credit's liquidity sources and utilization (in billions):

	September 30, 2024	December 31, 2024	September 30, 2025
Liquidity Sources (a)			
Cash	\$ 8.6	\$ 9.3	\$ 8.8
Committed asset-backed facilities	44.6	42.9	43.3
Other unsecured credit facilities	1.8	1.7	1.6
Total liquidity sources	\$ 55.0	\$ 53.9	\$ 53.7
Utilization of Liquidity (a)			
Securitization and restricted cash	\$ (3.1)	\$ (3.1)	\$ (3.0)
Committed asset-backed facilities	(22.5)	(25.6)	(22.4)
Other unsecured credit facilities	(0.1)	(0.5)	(0.5)
Total utilization of liquidity	\$ (25.7)	\$ (29.2)	\$ (25.9)
Available liquidity	\$ 29.3	\$ 24.7	\$ 27.8
Other adjustments	0.3	0.5	0.3
Net liquidity available for use	\$ 29.6	\$ 25.2	\$ 28.1

(a) See Definitions and Information Regarding Ford Credit Causal Factors section.

Ford Credit's net liquidity available for use will fluctuate quarterly based on factors including near-term debt maturities, receivable growth and decline, and timing of funding transactions. At September 30, 2025, Ford Credit's net liquidity available for use was \$28.1 billion, \$2.9 billion higher than year-end 2024, reflecting strong access to public funding markets. At September 30, 2025, Ford Credit's liquidity sources, including cash, committed asset-backed facilities, and committed unsecured credit facilities, totaled \$53.7 billion, down \$0.2 billion from year-end 2024.

Material Cash Requirements. Ford Credit's material cash requirements include: (1) the purchase of retail financing and operating lease contracts from dealers and providing wholesale financing for dealers to finance new and used vehicles; and (2) debt repayments (for additional information on debt, see the "Aggregate Contractual Obligations" table in the "Liquidity and Capital Resources - Company Excluding Ford Credit" section in Item 7 and Note 18 of the Notes to the Financial Statements in our 2024 Form 10-K Report). In addition, subject to approval by Ford Credit's Board of Directors, shareholder distributions may require the expenditure of a material amount of cash. Moreover, Ford Credit may be subject to additional material cash requirements that are contingent upon the occurrence of certain events, e.g., legal contingencies, uncertain tax positions, and other matters.

Ford Credit plans to utilize its liquidity (as described above) and its cash flows from business operations to fund its material cash requirements.

Funding and Liquidity Risks. Ford Credit's funding plan is subject to risks and uncertainties, many of which are beyond its control, including disruption in the capital markets, that could impact both unsecured debt and asset-backed securities issuance and the effects of regulatory changes on the financial markets. Refer to the "Liquidity and Capital Resources - Ford Credit Segment - Funding and Liquidity Risks" section of Item 7 of Part II of our 2024 Form 10-K Report for more information.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Leverage. Ford Credit uses leverage, or the debt-to-equity ratio, to make various business decisions, including evaluating and establishing pricing for finance receivable and operating lease financing, and assessing its capital structure.

The table below shows the calculation of Ford Credit’s financial statement leverage (in billions):

	September 30, 2024	December 31, 2024	September 30, 2025
Leverage Calculation			
Debt	\$ 136.7	\$ 137.9	\$ 140.2
Equity (a)	14.0	13.8	14.7
Financial statement leverage (to 1)	9.7	10.0	9.5

(a) Total shareholder’s interest reported on Ford Credit’s balance sheets.

Ford Credit plans its leverage by considering market conditions and the risk characteristics of its business. At September 30, 2025, Ford Credit’s financial statement leverage was 9.5:1.

Total Company

Pension Plans - Funded Balances. As of September 30, 2025, our total Company pension overfunded status reported on our consolidated balance sheets was \$382 million and reflects the net funded status at December 31, 2024, updated for: service and interest cost; expected return on assets; curtailments, settlements, and associated interim remeasurement (where applicable); separation expense; actual benefit payments; and cash contributions. For plans without interim remeasurement, the discount rate and rate of expected return assumptions are unchanged from year-end 2024.

Return on Invested Capital ("ROIC"). We analyze total Company performance using an adjusted ROIC financial metric based on an after-tax, rolling four-quarter average. The following table contains the calculation of our ROIC for the periods shown (in billions):

	Four Quarters Ending	
	September 30, 2024	September 30, 2025
Adjusted Net Operating Profit/(Loss) After Cash Tax		
Net income/(loss) attributable to Ford	\$ 3.5	\$ 4.7
Add: Noncontrolling interest	—	—
Less: Income tax	0.5	(0.6)
Add: Cash tax	(1.3)	(0.6)
Less: Interest on debt	(1.2)	(1.2)
Less: Total pension/OPEB income/(cost)	(2.7)	0.3
Add: Pension/OPEB service costs	(0.6)	(0.5)
Net operating profit/(loss) after cash tax	\$ 5.1	\$ 5.2
Less: Special items (excl. pension/OPEB) pre-tax	(2.8)	(2.0)
Adjusted net operating profit/(loss) after cash tax	\$ 8.0	\$ 7.2
Invested Capital		
Equity	\$ 44.3	\$ 47.4
Debt (excl. Ford Credit)	20.6	21.8
Net pension and OPEB liability	5.9	4.0
Invested capital (end of period)	\$ 70.8	\$ 73.2
Average invested capital	\$ 69.7	\$ 70.9
ROIC (a)	7.4%	7.3%
Adjusted ROIC (Non-GAAP) (b)	11.4%	10.1%

(a) Calculated as the sum of net operating profit/(loss) after cash tax from the last four quarters, divided by the average invested capital over the last four quarters.

(b) Calculated as the sum of adjusted net operating profit/(loss) after cash tax from the last four quarters, divided by the average invested capital over the last four quarters.

Note: Numbers may not sum due to rounding.

CREDIT RATINGS

Our short-term and long-term debt is rated by four credit rating agencies designated as nationally recognized statistical rating organizations ("NRSROs") by the U.S. Securities and Exchange Commission: DBRS, Fitch, Moody's, and S&P.

In several markets, locally recognized rating agencies also rate us. A credit rating reflects an assessment by the rating agency of the credit risk associated with a corporate entity or particular securities issued by that entity. Rating agencies' ratings of us are based on information provided by us and other sources. Credit ratings are not recommendations to buy, sell, or hold securities and are subject to revision or withdrawal at any time by the assigning rating agency. Each rating agency may have different criteria for evaluating company risk and, therefore, ratings should be evaluated independently for each rating agency.

There have been no rating actions taken by these NSROs since the filing of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025.

The following table summarizes certain of the credit ratings and outlook presently assigned by these four NRSROs:

	NRSRO RATINGS						
	Ford			Ford Credit			NRSROs
	Issuer Default / Corporate / Issuer Rating	Long-Term Senior Unsecured	Outlook / Trend	Long-Term Senior Unsecured	Short-Term Unsecured	Outlook / Trend	Minimum Long-Term Investment Grade Rating
DBRS	BBB (low)	BBB (low)	Stable	BBB (low)	R-2 (low)	Stable	BBB (low)
Fitch	BBB-	BBB-	Stable	BBB-	F3	Stable	BBB-
Moody's	N/A	Ba1	Stable	Ba1	NP	Stable	Baa3
S&P	BBB-	BBB-	Negative	BBB-	A-3	Negative	BBB-

OUTLOOK

We provided 2025 Company guidance in our earnings release furnished on Form 8-K dated October 23, 2025. The guidance is based on our expectations and best estimates as of October 23, 2025, and assumes no material change to our current assumptions for inflation, logistics issues, production, or macroeconomic conditions. Moreover, our guidance has not factored in any new policy changes by the administration in the United States, including future or revised tariffs or related offsets, that have not been announced or tariffs or other policy changes that may be announced by other governments after the date hereof. Our actual results could differ materially from our guidance due to risks, uncertainties, and other factors, including those set forth in "Risk Factors" in Item 1A of our 2024 Form 10-K Report and as updated by our subsequent filings with the SEC.

	2025 Guidance
Total Company	
Adjusted EBIT (a)	\$6.0 - \$6.5 billion
Adjusted Free Cash Flow (a)	\$2.0 - \$3.0 billion
Capital spending	About \$9.0 billion

(a) When we provide guidance for Adjusted EBIT and Adjusted Free Cash Flow, we do not provide guidance for the most comparable GAAP measures because, as described in more detail below in "Non-GAAP Measures That Supplement GAAP Measures," they include items that are difficult to predict with reasonable certainty.

For full-year 2025, we now expect adjusted EBIT of \$6.0 billion to \$6.5 billion and adjusted free cash flow of \$2.0 billion to \$3.0 billion.

Our updated 2025 outlook includes the following assumptions:

- For Novelis, an adjusted EBIT headwind of \$1.5 billion to \$2.0 billion and an adjusted free cash flow headwind of \$2.0 billion to \$3.0 billion in the fourth quarter. We currently have line of sight to mitigate at least \$1.0 billion of adjusted EBIT in 2026, and we are working to improve the situation further. Between 2025 and 2026, we expect Novelis to be a headwind of \$1.0 billion or less. Production disruption results in an oversized short-term impact on our working capital, which we expect will reverse in 2026.
- Given recent policy announcements by the administration in the United States, we now expect tariffs will be an about \$1.0 billion net headwind for 2025, down from about \$2.0 billion.

Our outlook for 2025 also assumes:

- U.S. industry sales of about 16.8 million units
- Full year U.S. industry pricing up about 0.5%
- Net cost improvement of about \$1.0 billion, excluding the impact of tariffs

Cautionary Note on Forward-Looking Statements

Statements included or incorporated by reference herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations, forecasts, and assumptions by our management and involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those stated, including, without limitation:

- Ford's long-term success depends on delivering the Ford+ plan, including improving cost and competitiveness;
- Ford's vehicles could be affected by defects that result in recall campaigns, increased warranty costs, or delays in new model launches, and the time it takes to improve the quality of our vehicles and services and reduce the costs associated therewith could continue to have an adverse effect on our business;
- Ford is highly dependent on its suppliers to deliver components in accordance with Ford's production schedule and specifications, and a shortage of or inability to timely acquire key components or raw materials can disrupt Ford's production of vehicles;
- Ford's production, as well as Ford's suppliers' production, and/or the ability to deliver products to consumers could be disrupted by labor issues, public health issues, natural or man-made disasters, adverse effects of climate change, financial distress, production difficulties, capacity limitations, or other factors;
- Ford may not realize the anticipated benefits of existing or pending strategic alliances, joint ventures, acquisitions, divestitures, or business strategies or the benefits may take longer than expected to materialize;
- Ford may not realize the anticipated benefits of restructuring actions and such actions may cause Ford to incur significant charges, disrupt our operations, or harm our reputation;
- Failure to develop and deploy secure digital services that appeal to customers and grow our subscription rates could have a negative impact on Ford's business;
- Ford's ability to maintain a competitive cost structure could be affected by labor or other constraints;
- Ford's ability to attract, develop, grow, support, and reward talent is critical to its success and competitiveness;
- Operational information systems, security systems, vehicles, and services could be affected by cybersecurity incidents, ransomware attacks, and other disruptions and impact Ford, Ford Credit, their suppliers, and dealers;
- To facilitate access to the raw materials and other components necessary for the production of electric vehicles, Ford has entered into and may, in the future, enter into multi-year commitments to raw material and other suppliers that subject Ford to risks associated with lower future demand for such items as well as costs that fluctuate and are difficult to accurately forecast;
- With a global footprint and supply chain, Ford's results and operations could be adversely affected by economic or geopolitical developments, including protectionist trade policies such as tariffs, or other events;
- Ford's new and existing products and digital, software, and physical services are subject to market acceptance and face significant competition from existing and new entrants in the automotive and digital and software services industries, and Ford's reputation may be harmed based on positions it takes or if it is unable to achieve the initiatives it has announced;
- Ford may face increased price competition for its products and services, including pricing pressure resulting from industry excess capacity, currency fluctuations, competitive actions, or economic or other factors, particularly for electric vehicles;
- Inflationary pressure and fluctuations in commodity and energy prices, foreign currency exchange rates, interest rates, and market value of Ford or Ford Credit's investments, including marketable securities, can have a significant effect on results;
- Ford's results are dependent on sales of larger, more profitable vehicles, particularly in the United States;
- Industry sales volume can be volatile and could decline if there is a financial crisis, recession, public health emergency, or significant geopolitical event;
- The impact of government incentives on Ford's business could be significant, and Ford's receipt of government incentives could be subject to reduction, termination, or clawback;
- Ford and Ford Credit's access to debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts could be affected by credit rating downgrades, market volatility, market disruption, regulatory requirements, asset portfolios, or other factors;
- Ford Credit could experience higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- Economic and demographic experience for pension and OPEB plans (e.g., discount rates or investment returns) could be worse than Ford has assumed;
- Pension and other postretirement liabilities could adversely affect Ford's liquidity and financial condition;
- Ford and Ford Credit could experience unusual or significant litigation, governmental investigations, or adverse publicity arising out of alleged defects in products, services, perceived environmental impacts, or otherwise;
- Ford may need to substantially modify its product plans and facilities to comply with safety, emissions, fuel economy, autonomous driving technology, environmental, and other regulations;
- Ford and Ford Credit could be affected by the continued development of more stringent privacy, data use, data protection, data access, and artificial intelligence laws and regulations as well as consumers' heightened expectations to safeguard their personal information; and
- Ford Credit could be subject to new or increased credit regulations, consumer protection regulations, or other regulations.

We cannot be certain that any expectation, forecast, or assumption made in preparing forward-looking statements will prove accurate, or that any projection will be realized. It is to be expected that there may be differences between projected and actual results. Our forward-looking statements speak only as of the date of their initial issuance, and we do not undertake, and expressly disclaim to the extent permitted by law, any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events, or otherwise. For additional discussion, see "Item 1A. Risk Factors" in our 2024 Form 10-K Report, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

NON-GAAP FINANCIAL MEASURES THAT SUPPLEMENT GAAP MEASURES

We use both generally accepted accounting principles ("GAAP") and non-GAAP financial measures for operational and financial decision making, and to assess Company and segment business performance. The non-GAAP measures listed below are intended to be considered by users as supplemental information to their equivalent GAAP measures, to aid investors in better understanding our financial results. We believe that these non-GAAP measures provide useful perspective on underlying operating results and trends, and a means to compare our period-over-period results. These non-GAAP measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. These non-GAAP measures may not be the same as similarly titled measures used by other companies due to possible differences in method and in items or events being adjusted.

- *Company Adjusted EBIT (Most Comparable GAAP Measure: Net Income/(Loss) Attributable to Ford)* – Earnings before interest and taxes (EBIT) excludes interest on debt (excluding Ford Credit Debt), taxes, and pre-tax special items. This non-GAAP measure is useful to management and investors because it focuses on underlying operating results and trends, and improves comparability of our period-over-period results. Our management excludes special items from its review of the results of the operating segments for purposes of measuring segment profitability and allocating resources. Our categories of pre-tax special items and the applicable significance guideline for each item (which may consist of a group of items related to a single event or action) are as follows:

Pre-Tax Special Item

- Pension and OPEB remeasurement gains and losses
- Personnel expenses, supplier- and dealer-related costs, and facility-related charges stemming from our efforts to match production capacity and cost structure to market demand and changing model mix
- Other items that we do not generally consider to be indicative of earnings from ongoing operating activities

Significance Guideline

- No minimum
- Generally \$100 million or more
- \$500 million or more for individual field service actions; generally \$100 million or more for other items

When we provide guidance for adjusted EBIT, we do not provide guidance on a net income basis because the GAAP measure will include potentially significant special items that have not yet occurred and are difficult to predict with reasonable certainty, including gains and losses on pension and OPEB remeasurements and on investments in equity securities.

- *Company Adjusted EBIT Margin (Most Comparable GAAP Measure: Company Net Income/(Loss) Margin)* – Company adjusted EBIT margin is Company adjusted EBIT divided by Company revenue. This non-GAAP measure is useful to management and investors because it allows users to evaluate our operating results aligned with industry reporting.
- *Adjusted Earnings/(Loss) Per Share (Most Comparable GAAP Measure: Earnings/(Loss) Per Share)* – Measure of Company's diluted net earnings/(loss) per share adjusted for impact of pre-tax special items (described above), tax special items, and restructuring impacts in noncontrolling interests. The measure provides investors with useful information to evaluate performance of our business excluding items not indicative of earnings from ongoing operating activities. When we provide guidance for adjusted earnings/(loss) per share, we do not provide guidance on an earnings/(loss) per share basis because the GAAP measure will include potentially significant special items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end, including pension and OPEB remeasurement gains and losses.
- *Adjusted Effective Tax Rate (Most Comparable GAAP Measure: Effective Tax Rate)* – Measure of Company's tax rate excluding pre-tax special items (described above) and tax special items. The measure provides an ongoing effective rate which investors find useful for historical comparisons and for forecasting. When we provide guidance for adjusted effective tax rate, we do not provide guidance on an effective tax rate basis because the GAAP measure will include potentially significant special items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end, including pension and OPEB remeasurement gains and losses.

- *Company Adjusted Free Cash Flow (Most Comparable GAAP Measure: Net Cash Provided By/(Used In) Operating Activities)* – Measure of Company's operating cash flow excluding Ford Credit's operating cash flows. The measure contains elements management considers operating activities, including Company excluding Ford Credit capital spending, Ford Credit distributions to its parent, and settlement of derivatives. The measure excludes cash outflows for funded pension contributions, restructuring actions, and other items that are considered operating cash flows under U.S. GAAP. This measure is useful to management and investors because it is consistent with management's assessment of the Company's operating cash flow performance. When we provide guidance for Company adjusted free cash flow, we do not provide guidance for net cash provided by/(used in) operating activities because the GAAP measure will include items that are difficult to quantify or predict with reasonable certainty, including cash flows related to the Company's exposures to foreign currency exchange rates and certain commodity prices (separate from any related hedges), Ford Credit's operating cash flows, and cash flows related to special items, including separation payments, each of which individually or in the aggregate could have a significant impact to our net cash provided by/(used in) our operating activities.
- *Adjusted ROIC* – Calculated as the sum of adjusted net operating profit/(loss) after cash tax from the last four quarters, divided by the average invested capital over the last four quarters. Adjusted Return on Invested Capital ("Adjusted ROIC") provides management and investors with useful information to evaluate the Company's after-cash tax operating return on its invested capital for the period presented. Adjusted net operating profit/(loss) after cash tax measures operating results less special items, interest on debt (excluding Ford Credit Debt), and certain pension/OPEB costs. Average invested capital is the sum of average balance sheet equity, debt (excluding Ford Credit Debt), and net pension/OPEB liability.

Non-GAAP Financial Measure Reconciliations

The following tables show our Non-GAAP financial measure reconciliations.

Net Income/(Loss) Reconciliation to Adjusted EBIT (\$M)

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Net income/(loss) attributable to Ford (GAAP)	\$ 892	\$ 2,447	\$ 4,055	\$ 2,882
Income/(Loss) attributable to noncontrolling interests	4	1	8	10
Net income/(loss)	\$ 896	\$ 2,448	\$ 4,063	\$ 2,892
Less: (Provision for)/Benefit from income taxes	27	630	(856)	(88)
Income/(Loss) before income taxes	\$ 869	\$ 1,818	\$ 4,919	\$ 2,980
Less: Special items pre-tax	(1,409)	(447)	(2,331)	(1,859)
Income/(Loss) before special items pre-tax	\$ 2,278	\$ 2,265	\$ 7,250	\$ 4,839
Less: Interest on debt	(272)	(321)	(820)	(906)
Adjusted EBIT (Non-GAAP)	\$ 2,550	\$ 2,586	\$ 8,070	\$ 5,745

Memo:

Revenue (\$B)	\$ 46.2	\$ 50.5	\$ 136.8	\$ 141.4
Net income/(loss) margin (GAAP) (%)	1.9 %	4.8 %	3.0 %	2.0 %
Adjusted EBIT margin (Non-GAAP) (%)	5.5 %	5.1 %	5.9 %	4.1 %

Earnings/(Loss) per Share Reconciliation to Adjusted Earnings/(Loss) per Share

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
<u>Diluted After-Tax Results (\$M)</u>				
Diluted after-tax results (GAAP)	\$ 892	\$ 2,447	\$ 4,055	\$ 2,882
Less: Impact of pre-tax and tax special items	(1,066)	627	(1,798)	(989)
Adjusted net income/(loss) – diluted (Non-GAAP)	\$ 1,958	\$ 1,820	\$ 5,853	\$ 3,871

Basic and Diluted Shares (M)

Basic shares (average shares outstanding)	3,976	3,983	3,980	3,977
Net dilutive options, unvested restricted stock units, unvested restricted stock shares, and convertible debt	42	65	40	49
Diluted shares	4,018	4,048	4,020	4,026

Earnings/(Loss) per share – diluted (GAAP)	\$ 0.22	\$ 0.60	\$ 1.01	\$ 0.72
Less: Net impact of adjustments	(0.27)	0.15	(0.45)	(0.24)
Adjusted earnings/(loss) per share – diluted (Non-GAAP)	\$ 0.49	\$ 0.45	\$ 1.46	\$ 0.96

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Effective Tax Rate Reconciliation to Adjusted Effective Tax Rate

	Third Quarter		First Nine Months		Memo: FY 2024
	2024	2025	2024	2025	
Pre-Tax Results (\$M)					
Income/(Loss) before income taxes (GAAP)	\$ 869	\$ 1,818	\$ 4,919	\$ 2,980	\$ 7,233
Less: Impact of special items	(1,409)	(447)	(2,331)	(1,859)	(1,860)
Adjusted earnings before taxes (Non-GAAP)	\$ 2,278	\$ 2,265	\$ 7,250	\$ 4,839	\$ 9,093
Taxes (\$M)					
(Provision for)/Benefit from income taxes (GAAP)	\$ 27	\$ 630	\$ (856)	\$ (88)	\$ (1,339)
Less: Impact of special items	343	1,074	533	870	323
Adjusted (provision for)/benefit from income taxes (Non-GAAP)	\$ (316)	\$ (444)	\$ (1,389)	\$ (958)	\$ (1,662)
Tax Rate (%)					
Effective tax rate (GAAP)	(3.1)%	(34.7)%	17.4 %	3.0 %	18.5 %
Adjusted effective tax rate (Non-GAAP)	13.9 %	19.6 %	19.2 %	19.8 %	18.3 %

Net Cash Provided by/(Used in) Operating Activities Reconciliation to Company Adjusted Free Cash Flow (\$M)

	Third Quarter		First Nine Months	
	2024	2025	2024	2025
Net cash provided by/(used in) operating activities (GAAP)	\$ 5,502	\$ 7,402	\$ 12,395	\$ 17,398
Less: Items not included in company adjusted free cash flows				
Ford Credit operating cash flows	\$ 1,296	\$ 1,741	\$ 3,162	\$ 8,364
Funded pension contributions	(334)	(187)	(967)	(702)
Restructuring (including separations) (a)	(226)	(22)	(691)	(231)
Ford Credit tax payments/(refunds) under tax sharing agreement	—	—	(33)	—
Other, net	14	(189)	(590)	(474)
Add: Items included in company adjusted free cash flows				
Company excluding Ford Credit capital spending	\$ (1,970)	\$ (2,099)	\$ (6,121)	\$ (5,943)
Ford Credit distributions	175	350	325	1,050
Settlement of derivatives	230	(1)	227	109
Company adjusted free cash flow (Non-GAAP)	\$ 3,187	\$ 4,309	\$ 5,945	\$ 5,657

(a) Restructuring excludes cash flows reported in investing activities.

SUPPLEMENTAL INFORMATION

The tables below provide supplemental consolidating financial information, other financial information, and U.S. sales by type. Company excluding Ford Credit includes our Ford Blue, Ford Model e, and Ford Pro reportable segments, Corporate Other, Interest on Debt, and Special Items. Eliminations, where presented, primarily represent eliminations of intersegment transactions and deferred tax netting.

Selected Income Statement Information. The following table provides supplemental income statement information (in millions):

	For the period ended September 30, 2025		
	Third Quarter		
	Company excluding Ford Credit	Ford Credit	Consolidated
Revenues	\$ 47,185	\$ 3,349	\$ 50,534
Total costs and expenses	46,151	2,825	48,976
Operating income/(loss)	1,034	524	1,558
Interest expense on Company debt excluding Ford Credit	321	—	321
Other income/(loss), net	466	94	560
Equity in net income/(loss) of affiliated companies	8	13	21
Income/(Loss) before income taxes	1,187	631	1,818
Provision for/(Benefit from) income taxes	(695)	65	(630)
Net income/(loss)	1,882	566	2,448
Less: Income/(Loss) attributable to noncontrolling interests	1	—	1
Net income/(loss) attributable to Ford Motor Company	\$ 1,881	\$ 566	\$ 2,447

	For the period ended September 30, 2025		
	First Nine Months		
	Company excluding Ford Credit	Ford Credit	Consolidated
Revenues	\$ 131,550	\$ 9,827	\$ 141,377
Total costs and expenses	130,721	8,268	138,989
Operating income/(loss)	829	1,559	2,388
Interest expense on Company debt excluding Ford Credit	906	—	906
Other income/(loss), net	1,372	261	1,633
Equity in net income/(loss) of affiliated companies	(171)	36	(135)
Income/(Loss) before income taxes	1,124	1,856	2,980
Provision for/(Benefit from) income taxes	(235)	323	88
Net income/(loss)	1,359	1,533	2,892
Less: Income/(Loss) attributable to noncontrolling interests	10	—	10
Net income/(loss) attributable to Ford Motor Company	\$ 1,349	\$ 1,533	\$ 2,882

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Selected Balance Sheet Information. The following tables provide supplemental balance sheet information (in millions):

	September 30, 2025			
	Company excluding Ford Credit	Ford Credit	Eliminations	Consolidated
Assets				
Cash and cash equivalents	\$ 18,024	\$ 8,764	\$ —	\$ 26,788
Marketable securities	14,647	753	—	15,400
Ford Credit finance receivables, net	—	48,214	—	48,214
Trade and other receivables, net	8,267	10,932	—	19,199
Inventories	16,509	—	—	16,509
Other assets	3,330	1,280	—	4,610
Receivable from other segments	1,032	2,263	(3,295)	—
Total current assets	61,809	72,206	(3,295)	130,720
Ford Credit finance receivables, net	—	60,147	—	60,147
Net investment in operating leases	2,066	24,979	—	27,045
Net property	44,400	335	—	44,735
Equity in net assets of affiliated companies	5,227	132	—	5,359
Deferred income taxes	17,721	475	—	18,196
Other assets	12,503	2,285	—	14,788
Receivable from other segments	84	—	(84)	—
Total assets	\$ 143,810	\$ 160,559	\$ (3,379)	\$ 300,990
Liabilities				
Payables	\$ 26,953	\$ 915	\$ —	\$ 27,868
Other liabilities and deferred revenue	28,613	2,539	—	31,152
Debt payable within one year	3,918	53,710	—	57,628
Payable to other segments	3,295	—	(3,295)	—
Total current liabilities	62,779	57,164	(3,295)	116,648
Other liabilities and deferred revenue	29,451	1,510	—	30,961
Long-term debt	17,857	86,455	—	104,312
Deferred income taxes	1,023	629	—	1,652
Payable to other segments	—	84	(84)	—
Total liabilities	\$ 111,110	\$ 145,842	\$ (3,379)	\$ 253,573

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Selected Cash Flow Information. The following tables provide supplemental cash flow information (in millions):

	For the period ended September 30, 2025			
	First Nine Months			
	Company excluding Ford Credit	Ford Credit	Eliminations	Consolidated
Cash flows from operating activities				
Net income/(loss)	\$ 1,359	\$ 1,533	\$ —	\$ 2,892
Depreciation and tooling amortization	3,847	1,875	—	5,722
Other amortization	40	(1,422)	—	(1,382)
Provision for credit and insurance losses	2	475	—	477
Pension and OPEB expense/(income)	277	—	—	277
Equity method investment (earnings)/losses and impairments in excess of dividends received	313	(1)	—	312
Foreign currency adjustments	84	(86)	—	(2)
Net realized and unrealized (gains)/losses on cash equivalents, marketable securities, and other investments	(37)	(26)	—	(63)
Stock compensation	394	15	—	409
Provision for/(Benefit from) deferred income taxes	(768)	247	—	(521)
Decrease/(Increase) in finance receivables (wholesale and other)	—	2,605	—	2,605
Decrease/(Increase) in intersegment receivables/payables	(73)	73	—	—
Decrease/(Increase) in accounts receivable and other assets	(3,569)	(108)	—	(3,677)
Decrease/(Increase) in inventory	(705)	—	—	(705)
Increase/(Decrease) in accounts payable and accrued and other liabilities	10,360	271	—	10,631
Other	307	116	—	423
Interest supplements and residual value support to Ford Credit	(2,797)	2,797	—	—
Net cash provided by/(used in) operating activities	\$ 9,034	\$ 8,364	\$ —	\$ 17,398
Cash flows from investing activities				
Capital spending	\$ (5,943)	\$ (88)	\$ —	\$ (6,031)
Acquisitions of finance receivables and operating leases	—	(40,033)	—	(40,033)
Collections of finance receivables and operating leases	—	34,307	—	34,307
Purchases of marketable securities and other investments	(6,892)	(313)	—	(7,205)
Sales and maturities of marketable securities and other investments	7,214	292	—	7,506
Settlements of derivatives	109	(450)	—	(341)
Capital contributions to equity method investments	(442)	—	—	(442)
Returns of capital from equity method investments	1,701	—	—	1,701
Other	150	—	—	150
Investing activity (to)/from other segments	1,050	—	(1,050)	—
Net cash provided by/(used in) investing activities	\$ (3,053)	\$ (6,285)	\$ (1,050)	\$ (10,388)
Cash flows from financing activities				
Cash payments for dividends and dividend equivalents	\$ (2,390)	\$ —	\$ —	\$ (2,390)
Purchases of common stock	—	—	—	—
Net changes in short-term debt	310	(716)	—	(406)
Proceeds from issuance of long-term debt	1,372	35,607	—	36,979
Payments of long-term debt	(965)	(36,576)	—	(37,541)
Other	(118)	(82)	—	(200)
Financing activity to/(from) other segments	—	(1,050)	1,050	—
Net cash provided by/(used in) financing activities	\$ (1,791)	\$ (2,817)	\$ 1,050	\$ (3,558)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	\$ 193	\$ 249	\$ —	\$ 442

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Selected Other Information.

Equity. At September 30, 2025, total equity attributable to Ford was \$47.4 billion, an increase of \$2.6 billion compared with December 31, 2024. The detail for this change is shown below (in billions):

	Increase/ (Decrease)
Net income/(loss)	\$ 2.9
Shareholder distributions	(2.4)
Other comprehensive income/(loss), net	1.8
Common stock issued (including share-based compensation impacts)	0.3
Total	<u>\$ 2.6</u>

U.S. Sales by Type. The following table shows third quarter 2025 U.S. sales volume and U.S. wholesales segregated by electric, hybrid, and internal combustion vehicles. U.S. sales volume represents primarily sales by dealers, sales to the government, and leases to Ford management, and is based, in part, on estimated vehicle registrations and includes medium and heavy trucks.

	U.S. Sales	U.S. Wholesales
Electric Vehicles	30,612	21,690
Hybrid Vehicles	55,177	54,040
Internal Combustion Vehicles	459,733	496,158
Total Vehicles	<u>545,522</u>	<u>571,888</u>

ACCOUNTING STANDARDS ISSUED BUT NOT YET ADOPTED

For a discussion of recent accounting standards, see Note 2 of the Notes to the Financial Statements.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk.

Company Excluding Ford Credit

Foreign Currency Risk. The net fair value of foreign exchange forward contracts (including adjustments for credit risk) as of September 30, 2025, was an asset of \$95 million, compared with an asset of \$410 million as of December 31, 2024. The potential change in the fair value from a 10% change in the underlying exchange rates, in U.S. dollar terms, would have been \$2.9 billion at September 30, 2025, unchanged from December 31, 2024.

Commodity Price Risk. The net fair value of commodity forward contracts (including adjustments for credit risk) as of September 30, 2025, was an asset of \$48 million, compared with a liability of \$8 million at December 31, 2024. The potential change in the fair value from a 10% change in the underlying commodity prices would have been \$178 million at September 30, 2025, compared with \$189 million at December 31, 2024.

Ford Credit Segment

Interest Rate Risk. To provide a quantitative measure of the sensitivity of its pre-tax cash flow to changes in interest rates, Ford Credit uses interest rate scenarios that assume a hypothetical, instantaneous decrease or increase of one percentage point in all interest rates across all maturities (a “parallel shift”), as well as a base case that assumes that all interest rates remain constant at existing levels. Maturing assets and liabilities are also instantaneously reinvested, capturing 100% of any hypothetical change in interest rates. The differences in pre-tax cash flow between these scenarios and the base case over a 12-month period represent an estimate of the sensitivity of Ford Credit’s pre-tax cash flow. Under this model, Ford Credit estimates that at September 30, 2025, all else constant, such a decrease in interest rates would decrease its pre-tax cash flow by \$69 million over the next 12 months, compared with a decrease of \$107 million at December 31, 2024. In reality, new assets and liabilities may not immediately capture changes in interest rates, and interest rate changes are rarely instantaneous, parallel, or move exactly the one percentage point assumed in Ford Credit’s analysis. As a result, the actual impact to pre-tax cash flow could be higher or lower than the results detailed above.

ITEM 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures. James D. Farley, Jr., our Chief Executive Officer (“CEO”), and Sherry A. House, our Chief Financial Officer (“CFO”), have performed an evaluation of the Company’s disclosure controls and procedures, as that term is defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (“Exchange Act”), as of September 30, 2025, and each has concluded that such disclosure controls and procedures are effective to ensure that information required to be disclosed in our periodic reports filed under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified by SEC rules and forms, and that such information is accumulated and communicated to the CEO and CFO to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting. There were no changes in internal control over financial reporting during the quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. *Legal Proceedings.*

PRODUCT LIABILITY MATTERS

Hill v. Ford (as previously reported on page 35 of our 2024 Form 10-K Report). Plaintiffs in this product liability action filed in Georgia state court alleged that the roof of a 2002 Ford F-250 involved in a rollover accident was defectively designed. During the first trial in 2018, the judge declared a mistrial, ruled that Ford's attorneys had violated pre-trial rulings while presenting evidence, and sanctioned Ford by prohibiting Ford from introducing any evidence at the second trial to show that the roof design of the F-250 was not defective. During the second trial in August 2022, a jury found that Pep Boys (the party that sold the tires on the vehicle involved in the rollover accident) was responsible for 30% of the damages, and Ford, as a direct result of the sanctions order prohibiting Ford from presenting its defense, was responsible for 70% of the damages, resulting in \$16.8 million in damages being apportioned to Ford. The jury subsequently awarded punitive damages against Ford in the amount of \$1.7 billion. We filed post-trial motions seeking a new trial, and on September 14, 2023, the trial court denied our post-trial motions. On October 13, 2023, Ford filed a notice of appeal with the Georgia Court of Appeals, and on November 1, 2024, the Georgia Court of Appeals vacated the trial court's judgment and remanded the matter for a new trial. On November 7, 2024, the plaintiffs filed their notice of intent to petition the Georgia Supreme Court for a writ of certiorari, and on December 19, 2024, the plaintiffs filed their petition with the Georgia Supreme Court. Ford filed its response to the petition on February 5, 2025. On August 12, 2025, the Georgia Supreme Court denied plaintiffs' petition for certiorari. On September 12, 2025, following a settlement reached between the plaintiffs and Ford, plaintiffs filed a Notice of Dismissal with Prejudice.

Brogdon v. Ford (as previously reported on page 64 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025). Plaintiffs, the adult children of Debra and Herman Mills, filed this product liability action against Ford in the U.S. District Court for the Middle District of Georgia on May 23, 2023, alleging that the roof of a 2015 Ford F-250 involved in a rollover accident was defectively designed. After a trial in February 2025, a jury found that Ford was responsible for 85% of the damages, resulting in \$25.9 million in damages being apportioned to Ford. The jury subsequently awarded punitive damages against Ford in the amount of \$2.5 billion, after which we filed post-trial motions with the trial court. On September 12, 2025, following a settlement reached between the plaintiffs and Ford, this matter was dismissed.

ENVIRONMENTAL MATTERS

Any legal proceeding arising under any federal, state, or local provisions that have been enacted or adopted regulating the discharge of materials into the environment or primarily for the purpose of protecting the environment, in which (i) a governmental authority is a party, and (ii) we believe there is the possibility of monetary sanctions (exclusive of interest and costs) in excess of \$1,000,000 is described on page 36 of our 2024 Form 10-K Report.

OTHER MATTERS

Brazilian Tax Matters (as previously reported on page 37 of our 2024 Form 10-K Report, page 64 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, and page 67 of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025). One Brazilian state (São Paulo) and the Brazilian federal tax authority currently have outstanding substantial tax assessments against Ford Motor Company Brasil Ltda. ("Ford Brazil") related to state and federal tax incentives Ford Brazil received for its operations in the Brazilian state of Bahia. The São Paulo assessment is part of a broader conflict among various states in Brazil. The federal legislature enacted laws designed to encourage the states to end that conflict, and in 2017 the states reached an agreement on a framework for resolution. Ford Brazil continues to pursue a resolution under the framework and expects the amount of any remaining assessments by the states to be resolved under that framework. The federal assessments are outside the scope of the legislation.

All of the outstanding assessments have been appealed to the relevant administrative court of each jurisdiction and some appeals are now pending in the judicial court system. To proceed with an appeal within the judicial court system, an appellant may be required to post collateral. If we are required to post collateral, which could be in excess of \$1 billion for all the cases in the aggregate, we expect it to be in the form of fixed assets, surety bonds, and/or letters of credit, but we may be required to post cash collateral. To date, we have received collateral waivers for most of the cases that have been appealed to the judicial court system, although we have been required to post less than \$100 million of collateral. Although the ultimate resolution of these matters may take many years, we consider our overall risk of loss to be remote.

ITEM 5. *Other Information.*

During the quarter ended September 30, 2025, no director or officer of the Company adopted, modified, or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. Exhibits.

<u>Designation</u>	<u>Description</u>	<u>Method of Filing</u>
<u>Exhibit 3.1</u>	Restated Certificate of Incorporation, dated August 2, 2000.	Filed as Exhibit 3-A to our Annual Report on Form 10-K for the year ended December 31, 2000. (a)
<u>Exhibit 3.1.1</u>	Certificate of Designations of Series A Junior Participating Preferred Stock filed on September 11, 2009.	Filed as Exhibit 3.1 to our Current Report on Form 8-K filed September 11, 2009. (a)
<u>Exhibit 3.2</u>	By-laws.	Filed as Exhibit 3.1 to our Current Report on Form 8-K filed December 9, 2022. (a)
<u>Exhibit 10</u>	Term Loan Credit Agreement, dated as of July 28, 2025.	Filed as Exhibit 10 to our Current Report on Form 8-K filed July 28, 2025. (a)
<u>Exhibit 31.1</u>	Rule 15d-14(a) Certification of CEO.	Filed with this Report.
<u>Exhibit 31.2</u>	Rule 15d-14(a) Certification of CFO.	Filed with this Report.
<u>Exhibit 32.1</u>	Section 1350 Certification of CEO.	Furnished with this Report.
<u>Exhibit 32.2</u>	Section 1350 Certification of CFO.	Furnished with this Report.
Exhibit 101.INS	Interactive Data Files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language ("Inline XBRL").	(b)
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document.	(b)
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.	(b)
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase Document.	(b)
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.	(b)
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.	(b)
Exhibit 104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).	(b)

(a) Incorporated by reference as an exhibit to this Report (file number reference 1-3950, unless otherwise indicated).

(b) Submitted electronically with this Report in accordance with the provisions of Regulation S-T.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FORD MOTOR COMPANY

By: /s/ Kyle Crockett
Kyle Crockett, Chief Accounting Officer
(principal accounting officer)

Date: October 23, 2025

CERTIFICATION

I, James D. Farley, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2025 of Ford Motor Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 23, 2025

/s/ James D. Farley, Jr.

James D. Farley, Jr.

President and Chief Executive Officer

CERTIFICATION

I, Sherry A. House, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2025 of Ford Motor Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 23, 2025

/s/ Sherry A. House

Sherry A. House
Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, James D. Farley, Jr., President and Chief Executive Officer of Ford Motor Company (the "Company"), hereby certify pursuant to Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code that to my knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2025, to which this statement is furnished as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 23, 2025

/s/ James D. Farley, Jr.

James D. Farley, Jr.

President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Sherry A. House, Chief Financial Officer of Ford Motor Company (the "Company"), hereby certify pursuant to Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code that to my knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2025, to which this statement is furnished as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 23, 2025

/s/ Sherry A. House

Sherry A. House
Chief Financial Officer