

FORD MOTOR CO
Form 10-Q
July 31, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended June 30, 2013

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)

Indicate by check mark if 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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☐ No ☒

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

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

As of July 24, 2013, Ford had outstanding 3,868,815,788 shares of Common Stock and 70,852,076 shares of Class B Stock.

Exhibit Index begins on page

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FORD MOTOR COMPANY
 QUARTERLY REPORT ON FORM 10-Q
 For the Quarter Ended June 30, 2013

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements.

FORD MOTOR COMPANY AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT

(in millions, except per share amounts)

	For the periods ended June 30,			
	2013	2012	2013	2012
	Second Quarter		First Half	
	(unaudited)			
Revenues				
Automotive	\$36,079	\$31,328	\$69,937	\$61,853
Financial Services	2,016	1,883	3,968	3,803
Total revenues	38,095	33,211	73,905	65,656
Costs and expenses				
Automotive cost of sales	32,524	27,870	62,529	54,804
Selling, administrative, and other expenses	3,375	2,983	6,660	5,861
Financial Services interest expense	705	798	1,411	1,624
Financial Services provision for credit and insurance losses	53	(23)	93	(39)
Total costs and expenses	36,657	31,628	70,693	62,250
Automotive interest expense	207	188	413	373
Automotive interest income and other income/(loss), net (Note 15)	241	16	486	248
Financial Services other income/(loss), net (Note 15)	74	83	170	156
Equity in net income/(loss) of affiliated companies	273	101	487	196
Income before income taxes	1,819	1,595	3,942	3,633
Provision for/(Benefit from) income taxes (Note 17)	585	557	1,096	1,197
Net income	1,234	1,038	2,846	2,436
Less: Income/(Loss) attributable to noncontrolling interests	1	(2)	2	—
Net income attributable to Ford Motor Company	\$1,233	\$1,040	\$2,844	\$2,436
AMOUNTS PER SHARE ATTRIBUTABLE TO FORD MOTOR COMPANY COMMON AND CLASS B STOCK (Note 19)				
Basic income	\$0.31	\$0.27	\$0.72	\$0.64
Diluted income	\$0.30	\$0.26	\$0.70	\$0.61
Cash dividends declared	\$0.10	\$—	\$0.20	\$0.05

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions)

For the periods ended June 30,			
2013	2012	2013	2012
Second Quarter		First Half	
(unaudited)			

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Net income	\$ 1,234	\$ 1,038	\$ 2,846	\$ 2,436	
Other comprehensive income/(loss), net of tax (Note 14)					
Foreign currency translation	(433) (778) (800) (255)
Derivative instruments	189	(89) 286	(152)
Pension and other postretirement benefits	940	253	1,531	213	
Total other comprehensive income/(loss), net of tax	696	(614) 1,017	(194)
Comprehensive income	1,930	424	3,863	2,242	
Less: Comprehensive income/(loss) attributable to noncontrolling interests	1	(2) 2	—	
Comprehensive income attributable to Ford Motor Company	\$ 1,929	\$ 426	\$ 3,861	\$ 2,242	

The accompanying notes are part of the financial statements.

ITEM 1. Financial Statements (Continued)

FORD MOTOR COMPANY AND SUBSIDIARIES
 SECTOR INCOME STATEMENT
 (in millions)

	For the periods ended June 30,			
	2013	2012	2013	2012
	Second Quarter		First Half	
	(unaudited)			
AUTOMOTIVE				
Revenues	\$36,079	\$31,328	\$69,937	\$61,853
Costs and expenses				
Cost of sales	32,524	27,870	62,529	54,804
Selling, administrative, and other expenses	2,488	2,233	4,969	4,368
Total costs and expenses	35,012	30,103	67,498	59,172
Interest expense	207	188	413	373
Interest income and other income/(loss), net (Note 15)	241	16	486	248
Equity in net income/(loss) of affiliated companies	267	95	476	174
Income before income taxes — Automotive	1,368	1,148	2,988	2,730
FINANCIAL SERVICES				
Revenues	2,016	1,883	3,968	3,803
Costs and expenses				
Interest expense	705	798	1,411	1,624
Depreciation on vehicles subject to operating leases	730	589	1,374	1,179
Operating and other expenses	157	161	317	314
Provision for credit and insurance losses	53	(23)	93	(39)
Total costs and expenses	1,645	1,525	3,195	3,078
Other income/(loss), net (Note 15)	74	83	170	156
Equity in net income/(loss) of affiliated companies	6	6	11	22
Income before income taxes — Financial Services	451	447	954	903
TOTAL COMPANY				
Income before income taxes	1,819	1,595	3,942	3,633
Provision for/(Benefit from) income taxes (Note 17)	585	557	1,096	1,197
Net income	1,234	1,038	2,846	2,436
Less: Income/(Loss) attributable to noncontrolling interests	1	(2)	2	—
Net income attributable to Ford Motor Company	\$1,233	\$1,040	\$2,844	\$2,436

The accompanying notes are part of the financial statements.

ITEM 1. Financial Statements (Continued)

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

June 30, 2013	December 31, 2012
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