

# Ford Motor Company

F

Target price range: \$12.62 - \$16.60

	2021	2022	2023	2024	2025	2026
	0	1	2	3	4	5
EBIT	24,862	13,980	13,570	13,173	12,788	12,413
Tax Expense	-219	3,186	3,093	3,002	2,914	2,829
<b>NOPLAT</b>	<b>25,081</b>	<b>10,794</b>	<b>10,478</b>	<b>10,171</b>	<b>9,873</b>	<b>9,584</b>
Depreciation	5,960	6,950	6,746	6,549	6,357	6,171
CapEx	6,227	6,176	5,995	5,819	5,649	5,484
Δ NWC	7,369	-7,964	1,217	1,182	1,147	1,114
<b>Unlevered FCF</b>	<b>32,183</b>	<b>3,604</b>	<b>12,447</b>	<b>12,082</b>	<b>11,729</b>	<b>11,385</b>
Terminal Value						226,724
<b>PV of UFCF</b>	<b>32,183</b>	<b>3,364</b>	<b>10,847</b>	<b>9,829</b>	<b>8,907</b>	<b>168,802</b>

Enterprise Value \$ 201,750

Net Debt 135,795

Implied Equity \$ 65,955

Outstanding Shares 3,973

Implied Share Price \$16.60 Undervalued

\* Using 1.0980 Beta resulting in 7.122% WACC

	2021	2022	2023	2024	2025	2026
	0	1	2	3	4	5
Free Cash Flow	32,183	3,604	12,447	12,082	11,729	11,385
<i>Discount Factor</i>		0.92	0.85	0.78	0.71	0.66
Present Value of Free Cash Flow		3,314	10,524	9,394	8,386	7,485
Enterprise Value	185,931				TV EBITDA	18,585
					Exit Multiple	13.1
Net Debt	135,795				Terminal Value (TV)	242,871
Implied Equity	50,136				<i>Discount Factor</i>	0.60
Outstanding Shares	3,973				PV of TV	146,828
Implied Share Price	\$12.62				PV of FCF	39,104

\* Using relevered 2.3945 Beta (based on comparables) resulting in 8.750% WACC