



Dana Increases Cash Consideration for GKN Driveline by £100 million

March 26, 2018

Company Also Doubles Size of Share Repurchase Program Actions Support Strong Investor Interest in Strategic Business Combination

MAUMEE, Ohio, March 26, 2018 /PRNewswire/ -- In support of strong investor interest in its combination with GKN Driveline, Dana Incorporated (NYSE: DAN) announced today that it has improved the terms of its agreed combination and will also double the size of its share repurchase program.

- Dana has increased the cash element of consideration by \$140 million (£100 million), representing an 8.6 percent increase in the cash consideration and delivering further value to GKN shareholders.
- Dana will double the size of its share repurchase program to \$200 million (£145 million). The company expects to use its share repurchase program to support liquidity in all markets for Dana shares following the merger.



As a result, the total cash consideration is approximately \$1.77 billion (£1.28 billion), along with the assumption of approximately \$1.0 billion (£700 million) of IAS 19 net pension liabilities, and approximately 133 million new Dana plc shares issued to GKN's shareholders. As agreed previously, upon completion of the transaction, Dana plc will be registered in the U.K., and the shares will be listed on both the London Stock Exchange and the New York Stock Exchange, allowing GKN shareholders to benefit from the significant value creation a Dana-GKN Driveline combination will provide.

Jonathan Collins, executive vice president and chief financial officer of Dana, said: "Today's announcement demonstrates our support for investors following a series of productive meetings where the many benefits of the combination have become ever more apparent. We are clearly enhancing the superior value this combination offers to GKN shareholders. This strategic transaction is driven by powerful industrial logic and offers a unique opportunity for shareholders to participate in the creation of a global leader in vehicle drive systems and electric propulsion.

"The increase in our share repurchase program illustrates further confidence in our ability to unlock the value of this combination, including \$235 million (£174 million) of synergies available only as a result of this transaction, as well as the delivery of a successful integration that has the support of investors, employees, pension trustees, and a global customer base."

Dana plans to repurchase its shares in the open markets or through privately negotiated transactions funded through continued cash generation and liquidity. Pursuant to this program expiring December 31, 2019, the purchase of shares is subject to prevailing market conditions, available growth opportunities, and other considerations.

About Dana Incorporated

Dana is a world leader in highly engineered solutions for improving the efficiency, performance, and sustainability of powered vehicles and machinery. Dana supports the passenger vehicle, commercial truck, and off-highway markets, as well as industrial and stationary equipment applications. Founded in 1904, Dana employs more than 30,000 people in 33 countries on six continents who are committed to delivering long-term value to customers. Based in Maumee, Ohio, USA, the company reported sales of \$7.2 billion in 2017. Dana is ranked among the Drucker Institute's listing of the 250 most effectively managed companies. For more information, please visit dana.com.

Important Information for Investors and Stockholders

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. In connection with the proposed transactions between Dana and GKN plc, an entity to be formed for the proposed transactions ("SpinCo") will file with the Securities and Exchange Commission ("SEC") a registration statement containing a proxy statement/prospectus, which will constitute a preliminary prospectus of SpinCo and a preliminary proxy statement of Dana, and Dana will file with the SEC a definitive proxy statement on Schedule 14A. The materials to be filed by Dana and SpinCo will be made available to Dana's investors and stockholders at no expense to them and, once available, copies may be obtained free of charge on Dana's website at www.dana.com. In addition, all of those materials will be available at no charge on the SEC's website at www.sec.gov. Investors and stockholders of Dana are urged to read the registration statement, the proxy statement and other relevant materials when they become available before making any voting or investment decision with respect to the proposed transactions because they contain important information about the proposed transactions and the parties to the proposed transactions.

Dana and its directors, executive officers and other members of its management and employees may be deemed to be participants in the solicitation of proxies of Dana stockholders in connection with the proposed transactions. Investors and stockholders may obtain more detailed information regarding the names, affiliations and interests of certain of Dana's executive officers and directors in the solicitation by reading Dana's definitive proxy statement for its 2018 annual meeting of stockholders, Annual Report on Form 10-K for the fiscal year ended December 31, 2017, and proxy statement and other relevant materials which will be filed with the SEC in connection with the proposed transactions when they become available. Information concerning the interests of Dana's participants in the solicitation, which may, in some cases, be different than those of Dana's stockholders generally, will be set forth in the proxy statement relating to the proposed transactions when it becomes available.

Cautionary Note Regarding Forward-Looking Statements

Certain statements and projections contained in this communication are, by their nature, forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current expectations, estimates and projections about our industry and business, management's beliefs, and certain assumptions made by us, all of which are subject to change. Forward-looking statements can often be identified by words such as "anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions, and variations or negatives of these words. Forward-looking statements include, among other things, statements about the potential benefits of the proposed transactions; the prospective performance and outlook of the combined company's business, performance and opportunities, including the ability of the parties to complete the proposed transactions and the expected timing of completion of the proposed transactions; our ability to successfully complete a secondary listing of our shares; as well as any assumptions underlying any of the foregoing. These forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause our actual results to differ materially and adversely from those expressed in any forward-looking statement. Such risks and uncertainties, include, without limitation, risks related to Dana's ability to complete the proposed transactions on the proposed terms and schedule, including obtaining shareholder and regulatory approvals; unforeseen liabilities; future capital expenditures; risks associated with business combination transactions, such as the risk that the businesses will not be integrated successfully, that such integration may be more difficult, time-consuming or costly than expected or that the expected benefits of the proposed transactions will not occur; risks related to future opportunities and plans for the combined company, including uncertainty of the expected financial performance and results of the combined company following completion of the proposed transactions; disruption from the proposed transactions, making it more difficult to conduct business as usual or maintain relationships with customers, employers or suppliers; and the possibility that if the combined company does not achieve the perceived benefits of the proposed transactions as rapidly or to the extent anticipated by financial analysts or investors, the market price of the combined company's shares could decline, as well as other risks related to Dana's business. Dana's Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other Securities and Exchange Commission filings discuss important risk factors that could affect our business, results of operations and financial condition. The forward-looking statements in this communication speak only as of this date. Dana does not undertake any obligation to revise or update publicly any forward-looking statement for any reason.

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