

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 11, 2004

Dana Corporation

(Exact name of registrant as specified in its charter)

Virginia

(State or other jurisdiction
of incorporation)

1-1063

(Commission File Number)

34-4361040

(IRS Employer
Identification Number)

4500 Dorr Street, Toledo, Ohio

(Address of principal executive offices)

43615

(Zip Code)

Registrant's telephone number, including area code: (419) 535-4500

This Current Report on Form 8-K and the attached exhibits are being furnished by Dana Corporation (Dana) pursuant to (i) Item 9 of Form 8-K in satisfaction of the public disclosure requirements of Regulation FD and (ii) Item 12 of Form 8-K, insofar as they disclose historical information regarding Dana's results of operations and financial condition for the fiscal quarter and year ended December 31, 2003.

Item 7. Exhibits.

(c) Exhibits

- 99.1 Slide Presentation for February 11, 2004 Conference Call (Furnished but not filed pursuant to Item 9.)
- 99.2 Press Release of Dana Corporation (Furnished but not filed pursuant to Item 12.)

Item 9. Regulation FD Disclosure.

During a conference call scheduled to be held at 10:00 a.m. EST on February 11, 2004, Dana's Chairman Glen H. Hiner and Chief Financial Officer, Robert Richter intend to present the slide presentation that is furnished as Exhibit 99.1 to this Current Report.

Certain slides in this presentation include financial measures which are not presented in accordance with U.S. Generally Accepted Accounting Principles (GAAP). These include slides 8, 9, 12 through 16 and 33 through 35, which contain non-GAAP financial measures due to the inclusion of Dana Credit Corporation (DCC) on an equity basis. Exhibit 99.2 includes a quantitative reconciliation of the differences between the non-GAAP financial measures disclosed and the most directly comparable financial measures calculated and presented in accordance with GAAP. Item 12 below and Dana's earnings release in the attached Exhibit 99.2 also contain information about the reconciliation of these non-GAAP financial measures to comparable GAAP financial measures and an explanation of why management believes the non-GAAP financial measures provide useful information to investors.

Item 12. Results of Operations and Financial Condition.

On February 11, 2004, Dana issued a news release regarding its earnings for the fiscal quarter and year ended December 31, 2003. A copy of that release is being furnished as Exhibit 99.2 to this Current Report.

The earnings release includes tables showing: (i) Dana Corporation (Including Dana Credit Corporation on an Equity Basis), Condensed Statement of Income (Unaudited) — Three Months and Year Ended December 31, 2003 and 2002; (ii) Dana Corporation (Including Dana Credit Corporation on an Equity Basis), Condensed Balance Sheet (Unaudited) — Year Ended December 31, 2003 and 2002; and (iii) Dana Corporation (Including Dana Credit Corporation on an Equity Basis), Cash Flow Impact on Net Debt — Three Months and Year Ended December 31, 2003 and 2002. As Generally Accepted Accounting Principles (GAAP) require Dana Credit Corporation (DCC) to be included on a consolidated basis, these tables including DCC on an equity basis contain non-GAAP financial measures. The earnings release also includes, for each of these tables: (i) a presentation of the most directly comparable financial measures calculated and presented in accordance with GAAP and (ii) a quantitative reconciliation of the differences between the non-GAAP financial measures disclosed and the most directly comparable GAAP financial measures. Management believes that the presentation of the non-

GAAP financial measures provides useful information to investors regarding Dana's financial condition and results of operations because management evaluates Dana's operating segments and regions as if DCC were accounted for on the equity method of accounting. This is done because DCC is not homogenous with Dana's manufacturing operations, its financing activities do not support the sales of the other operating segments and its financial and performance measures are inconsistent with those of the other operating segments. Moreover, the financial covenants contained in Dana's long-term bank facility are measured with DCC accounted for on an equity basis.

In accordance with General Instructions B.2 and B.6 of Form 8-K, the information in this Current Report, including the attached exhibits, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

Signatures

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 hereunto duly authorized.

Dana Corporation
(Registrant)

Date: February 11, 2004

By: /s/ Michael L. DeBacker
Name: Michael L. DeBacker
Title: Vice President, General Counsel and Secretary

Exhibit Index

- 99.1 Slide Presentation for February 11, 2004 Conference Call
- 99.2 Press Release of Dana Corporation



Dana Corporation
4th Quarter Conference Call

February 11, 2004

© Dana Corporation, 2004



Forward-Looking Statements

Statements herein about our forecasts, beliefs, and expectations constitute “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on our current information and assumptions. Forward-looking statements are inherently subject to risks and uncertainties. Dana’s actual results could differ materially from those that we anticipate or project due to a number of factors. These factors include the impact of national and international economic conditions; adverse effects from terrorism or hostilities; the strength of other currencies relative to the U.S. dollar; the cyclical nature of the global vehicular industry; the performance of the global aftermarket sector; changes in business relationships with our major customers and in the timing, size and continuation of their and our programs; the ability of our customers and suppliers to achieve their projected sales and production levels; competitive pressures on our sales and pricing; increases in production or material costs that cannot be recouped in product pricing; the impact of our collective bargaining negotiations; the continued success of our cost reduction and cash management programs and our long-term transformation strategy; and the success and timing of the contemplated divestiture of the Automotive Aftermarket Group. Additional factors are contained in our public filings with the SEC. We do not undertake to update any forward-looking statements contained herein.

Agenda

Glen Hiner

Chairman of the Board

- ▶ Recent Announcements

Bob Richter

Chief Financial Officer

- ▶ 2003 Financials
- ▶ Market Overview
- ▶ 2004 Guidance
- ▶ Q&A Session



New CEO, President & Director



Michael J. Burns

- ▶ **34 years with General Motors Corp.**
- ▶ **Most recently served as President – GM Europe based in Zurich**
- ▶ **Past responsibility in operations, engineering, administration & sales**



Dividend Increase

- ▶ **12 cents per share (an increase of 6 cents from previous payment)**
- ▶ **Second significant increase in as many quarters (5-cent-per-share increase in Q4)**
- ▶ **Reflects Board's continuing confidence in Dana**
- ▶ **Future dividends will balance:**
 - Performance;
 - Financial position; and
 - Core business investment needs



Financial Summary

(in millions, except earnings per share)

| | 4th Quarter | | Full Year | |
|--|-------------|-----------|-----------|-----------|
| | 2003 | 2002 | 2003 | 2002 |
| Net Sales | | | | |
| Continuing operations | \$ 2,050 | \$ 1,790 | \$ 7,918 | \$ 7,501 |
| Discontinued operations | 473 | 617 | 2,153 | 2,782 |
| Total | \$ 2,523 | \$ 2,407 | \$ 10,071 | \$ 10,283 |
| Net Income (Loss) | | | | |
| Income (loss) from continuing operations | \$ 56 | \$ (1) | \$ 175 | \$ 6 |
| Income (loss) from discontinued operations | 12 | (8) | 47 | 32 |
| Goodwill accounting change | --- | --- | --- | (220) |
| Net income (loss) | 68 | (9) | 222 | (182) |
| Net income, excluding unusual items | \$ 62 | \$ 32 | \$ 183 | \$ 171 |
| Goodwill accounting change | --- | --- | --- | (220) |
| October 2001 plan restructuring | --- | (44) | --- | (163) |
| Net gain on divestitures | 6 | 3 | 30 | 30 |
| Gain on repurchase of notes | --- | --- | 9 | --- |
| Net income (loss) | \$ 68 | \$ (9) | \$ 222 | \$ (182) |
| Diluted Earnings per Share | | | | |
| Net income, excluding unusual items | \$ 0.41 | \$ 0.22 | \$ 1.23 | \$ 1.15 |
| Net income (loss) | \$ 0.45 | \$ (0.06) | \$ 1.49 | \$ (1.22) |



DANA

Impact of “Discontinued Operations” on Financial Statements - FAS 144

Criteria

Committed to and actively pursuing sale of an available asset within one year.

Income Statement

Results from “Discontinued Operations” (i.e., AAG) must be reported in one line separately from Continuing Operations. Profit and Loss must be restated (per FASB) for all periods presented.

Balance Sheet

All assets and liabilities of the discontinued operations must be reported on one line in their respective “current” sections so that they are distinct from the continuing operations.

Cash Flow Statement

No impact. Remains unaffected by this accounting treatment.

2003 Income Statement Reconciliation

With DCC on an Equity Basis

| (Millions) | Total | Previous Disc. Ops. | 2003 "Expected" | AAG Sale | 2003 Reported |
|----------------------------|---------------|------------------------|--------------------|----------------|------------------|
| Net sales | \$ 10,071 | \$ (155) | \$ 9,916 | \$ (1,998) | \$ 7,918 |
| Other income | 91 | 10 | 101 | (10) | 91 |
| Total | <u>10,162</u> | <u>(145)</u> | <u>10,017</u> | <u>(2,008)</u> | <u>8,009</u> |
| Cost of sales | 9,086 | (136) | 8,950 | (1,657) | 7,293 |
| SG & A | 721 | (29) | 692 | (245) | 447 |
| Restructuring expense | 4 | 0 | 4 | (4) | - |
| Interest expense | 161 | 0 | 161 | (1) | 160 |
| Total | <u>9,972</u> | <u>(165)</u> | <u>9,807</u> | <u>(1,907)</u> | <u>7,900</u> |
| Income before taxes | 190 | 20 | 210 | (101) | 109 |
| Income tax benefit (exp.) | (53) | (9) | (62) | 42 | (20) |
| Minority interest | (9) | 0 | (9) | 2 | (7) |
| Equity earn. of affiliates | 94 | 0 | 94 | (1) | 93 |
| Income - cont. ops. | <u>222</u> | <u>11</u> | <u>233</u> | <u>(58)</u> | <u>175</u> |
| Income - disc. ops. | <u>0</u> | <u>(11)</u> | <u>(11)</u> | <u>58</u> | <u>47</u> |
| Net income | <u>\$ 222</u> | <u>\$ -</u> | <u>\$ 222</u> | <u>\$ -</u> | <u>\$ 222</u> |

Income Statement

With DCC on an Equity Basis

| (Millions) | Fourth Quarter | | YTD | |
|------------------------------|----------------|---------------|---------------|-----------------|
| | 2003 | 2002 | 2003 | 2002 |
| Net sales | \$ 2,050 | \$ 1,790 | \$ 7,918 | \$ 7,501 |
| Other income | 18 | 12 | 91 | 57 |
| | <u>2,068</u> | <u>1,802</u> | <u>8,009</u> | <u>7,558</u> |
| Cost of sales | 1,883 | 1,655 | 7,293 | 6,867 |
| SG&A expense | 107 | 107 | 447 | 467 |
| Restructuring | 5 | 68 | | 158 |
| Interest expense | 38 | 42 | 160 | 175 |
| | <u>2,033</u> | <u>1,872</u> | <u>7,900</u> | <u>7,667</u> |
| Income (loss) before taxes | 35 | (70) | 109 | (109) |
| Income tax benefit (expense) | 2 | 45 | (20) | 31 |
| Minority interest | (3) | (2) | (7) | (13) |
| Equity in affiliate earnings | 22 | 26 | 93 | 97 |
| Discontinued operations | 12 | (8) | 47 | 32 |
| Accounting change effect | | | | (220) |
| Net income (loss) | <u>\$ 68</u> | <u>\$ (9)</u> | <u>\$ 222</u> | <u>\$ (182)</u> |

©Dana Corporation, February 11, 2004.

DANA

Segment Table - Full Year 2003 Reconciliation

| (Millions) | Sales | | | OPAT | | |
|--------------------------|-----------------|-------------------|-----------------|---------------|----------------|---------------|
| | "Expected" | AAG Sale | Reported | "Expected" | AAG Sale | Reported |
| Automotive | \$ 3,903 | \$ --- | \$ 3,903 | \$ 155 | \$ --- | \$ 155 |
| Aftermarket | 2,180 | (2,180) | --- | 76 | (76) | --- |
| Engine & Fluid | 2,077 | 108 | 2,185 | 90 | (3) | 87 |
| Heavy Vehicle | 1,999 | --- | 1,999 | 79 | --- | 79 |
| DCC | --- | --- | --- | 21 | --- | 21 |
| Other | (243) | 74 | (169) | (232) | 21 | (211) |
| Results from | | | | | | |
| Cont. Operations | \$ 9,916 | \$ (1,998) | \$ 7,918 | \$ 189 | \$ (58) | \$ 131 |
| Discontinued Ops. | | | | (6) | 58 | 52 |
| Unusual Items | | | | 39 | --- | 39 |
| Consolidated | \$ 9,916 | \$ (1,998) | \$ 7,918 | \$ 222 | \$ --- | \$ 222 |

©Dana Corporation, February 11, 2004.



Full-Year Segment Comparison

| (Millions) | Sales | | | OPAT | | |
|--|-----------------|-----------------|------------|---------------|-----------------|-------------|
| | 2003 | 2002 | Chg. | 2003 | 2002 | Chg. |
| Automotive | \$ 3,903 | \$ 3,629 | 8 % | \$ 155 | \$ 157 | (1) % |
| Engine & Fluid | 2,185 | 2,157 | 1 | 87 | 73 | 19 |
| Heavy Vehicle | 1,999 | 1,889 | 6 | 79 | 63 | 25 |
| DCC | | | | 21 | 26 | (19) |
| Other | (169) | (174) | 3 | (211) | (236) | 11 |
| Results from Cont. Operations | \$ 7,918 | \$ 7,501 | 6 % | \$ 131 | \$ 83 | 58 % |
| Discontinued Ops. | | | | 52 | 88 | N/M |
| Unusual Items | | | | 39 | (133) | N/M |
| Effect of Acct. Chg. | | | | | (220) | N/M |
| Consolidated | \$ 7,918 | \$ 7,501 | 6 % | \$ 222 | \$ (182) | N/M |

N/M: Not Meaningful

2003 Balance Sheet

With DCC on an Equity Basis

(Millions)

Assets

| | 2003 <u>"Expected"</u> | AAG <u>Sale</u> | 2003 <u>Reported</u> |
|-----------------------------|---------------------------|--------------------|-------------------------|
| Current Assets | | | |
| Cash & Cash Equivalents | \$ 667 | \$ (3) | \$ 664 |
| Accounts Receivable | 1,756 | (408) | 1,348 |
| Inventories | 1,194 | (451) | 743 |
| Discontinued Operations | 0 | 1,254 | 1,254 |
| Other Current Assets | 471 | (72) | 399 |
| Total Current Assets | <u>4,088</u> | <u>320</u> | <u>4,408</u> |
| Property, Plant and Equip. | 2,302 | (288) | 2,014 |
| Investment in Other Assets | 2,612 | (32) | 2,580 |
| Total Assets | <u>\$ 9,002</u> | <u>\$ -</u> | <u>\$ 9,002</u> |

2003 Balance Sheet

With DCC on an Equity Basis

(Millions)

| Liabilities & Shareholder Equity | 2003 "Expected" | AAG Sale | 2003 Reported |
|---|--------------------|-------------|------------------|
| Current Liabilities | | | |
| Notes Payable | \$ 260 | \$ 0 | \$ 260 |
| Accounts Payable | 1,275 | (199) | 1,076 |
| Discontinued Operations | 0 | 307 | 307 |
| Other current liabilities | 1,334 | (99) | 1,235 |
| Total Current Liabilities | 2,869 | 9 | 2,878 |
| | | | |
| Long-Term Debt | 2,087 | 0 | 2,087 |
| Other Non-current Liabilities | 1,894 | (1) | 1,893 |
| Minority Interest | 102 | (8) | 94 |
| Shareholders' Equity | 2,050 | 0 | 2,050 |
| | | | |
| Total Liabilities & S/H Equity | \$ 9,002 | \$ - | \$ 9,002 |

Cash Flow Statement

With DCC on an Equity Basis

| (Millions) | YTD | |
|--|---------------|---------------|
| | 2003 | 2002 |
| Sources | | |
| Net income (loss) | \$ 222 | \$ (182) |
| Accounting change effect | | 220 |
| Depreciation | 337 | 387 |
| Divestitures / Non-restructuring asset sales | 177 | 398 |
| Working capital decrease (increase) | (72) | 279 |
| | <u>664</u> | <u>1,102</u> |
| Uses | | |
| Capital spend | (295) | (246) |
| Dividends | (14) | (6) |
| Acquisitions | | (31) |
| Net change in other accounts | (5) | (190) |
| | <u>(314)</u> | <u>(473)</u> |
| Restructuring plan | | |
| After-tax charges | | 163 |
| Cash payments | (136) | (200) |
| Proceeds from asset sales | 58 | 100 |
| | <u>(78)</u> | <u>63</u> |
| Cash decrease in net debt | <u>\$ 272</u> | <u>\$ 692</u> |

Capital Structure

With DCC on an Equity Basis

| (Millions) | <u>Dec-02</u> | <u>Operations</u> | <u>Other</u> | <u>Dec-03</u> |
|--------------------|---------------|-------------------|--------------|---------------|
| Short-term debt | \$ 53 | \$ (52) | \$ 259 | \$ 260 |
| Long-term debt | <u>2,462</u> | <u>(105)</u> | <u>(270)</u> | <u>2,087</u> |
| Borrowings | 2,515 | (157) | (11) | 2,347 |
| Cash | <u>551</u> | <u>115</u> | <u>(2)</u> | <u>664</u> |
| Net debt | \$ 1,964 | \$ (272) | \$ (9) | \$ 1,683 |
| Equity | \$ 1,482 | \$ 208 | \$ 360 | \$ 2,050 |
| Net Debt / Capital | 57.0% | | | 45.1% |

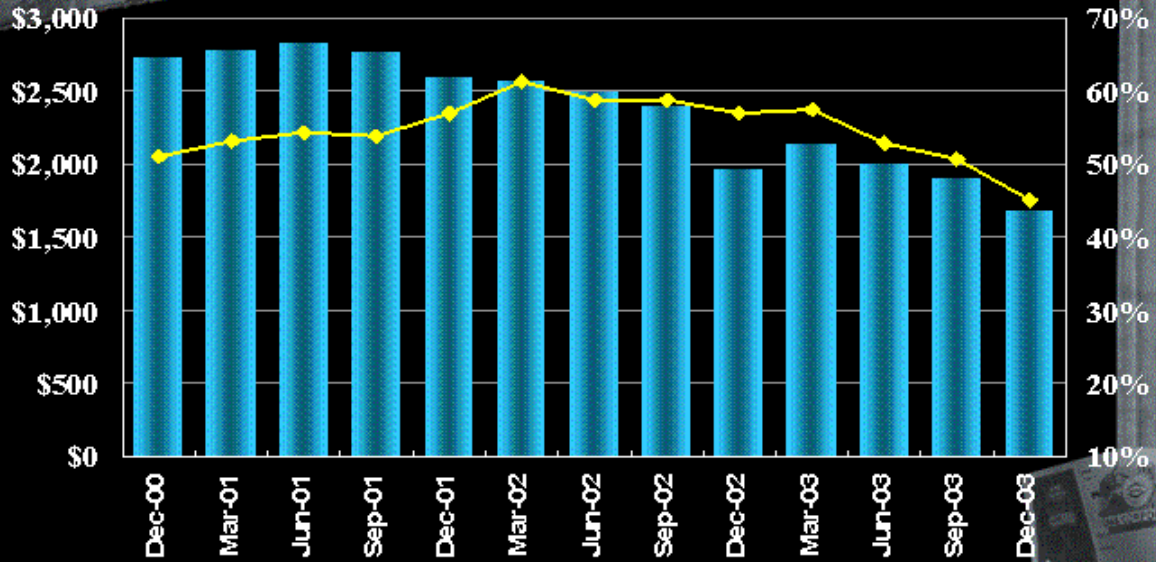
Net Debt

With DCC on an Equity Basis

\$ in Millions

Net Debt

Net Debt/Capital %



©Dana Corporation, February 11, 2004.

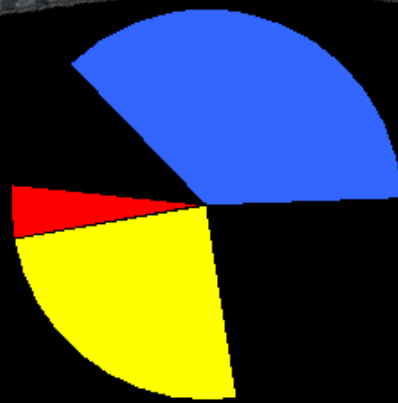
DANA

DCC Portfolio Analysis

(\$ Millions)



12/01 Total Portfolio Assets - \$2,200



12/03 Total Portfolio Assets - \$1,360

 Value-Added Services
 Real Estate

 Capital Markets
 Retained

Net of certain non-recourse debt



Aftermarket Business Divestiture

- ▶ **Future success demands focus; Dana will focus on its OE markets**
- ▶ **Proposed transaction is a “win-win” for Dana and the Aftermarket Group**
- ▶ **Potential uses of divestiture proceeds:**
 - **Repay debt**
 - **Contribute to pension plans**
 - **Reinvest in our core businesses**

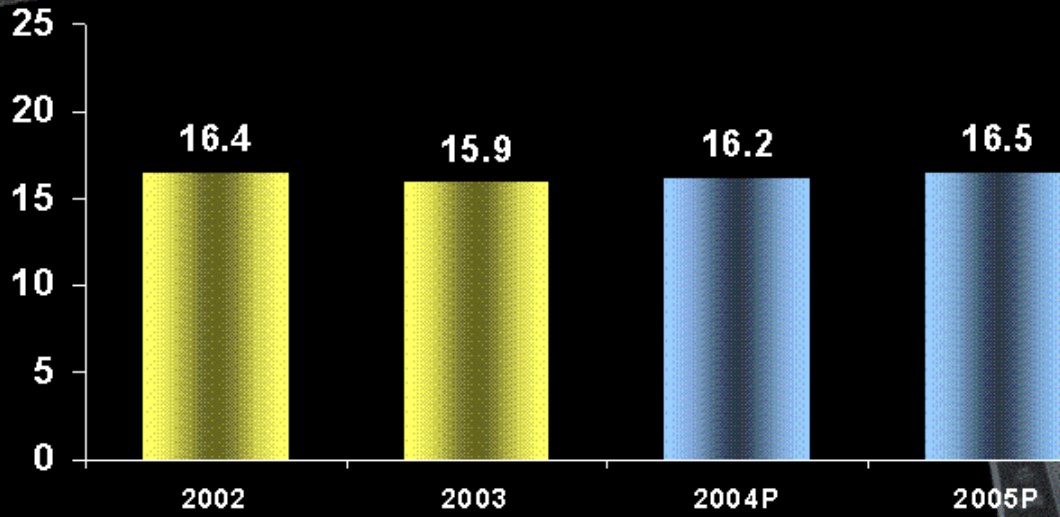


DANA

Light Vehicle Production

North America

Units in Millions

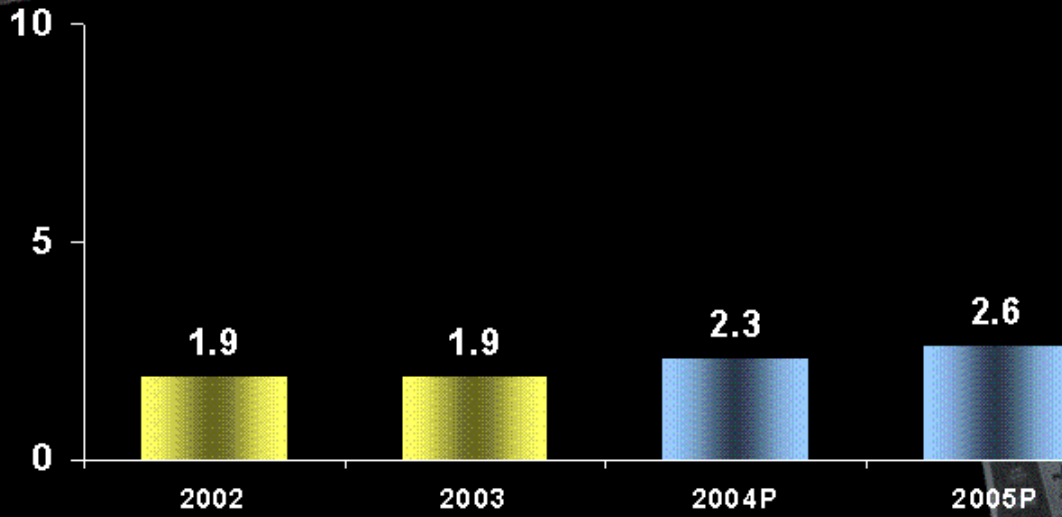


© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.



Light Vehicle Production South America

Units in Millions



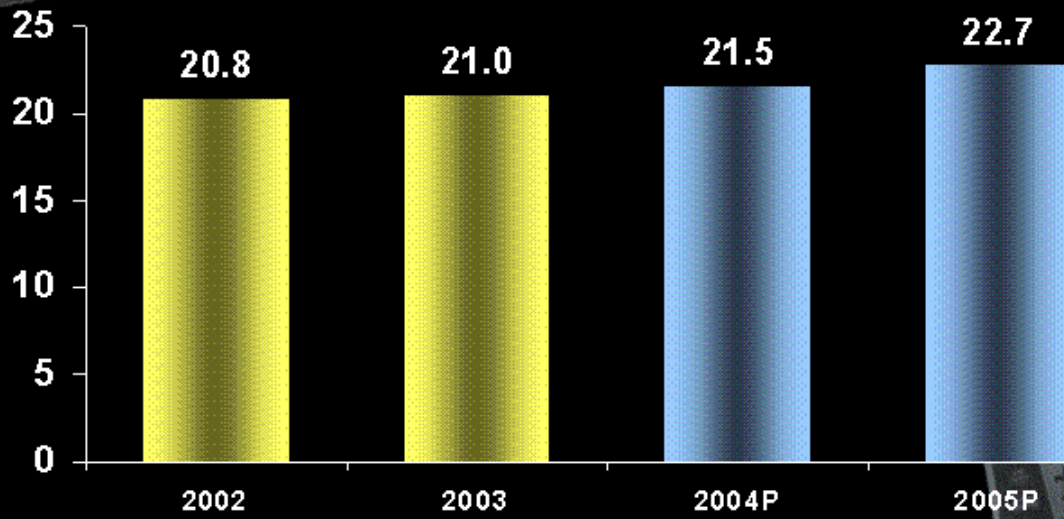
(Includes South Africa)



© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.

Light Vehicle Production Europe

Units in Millions



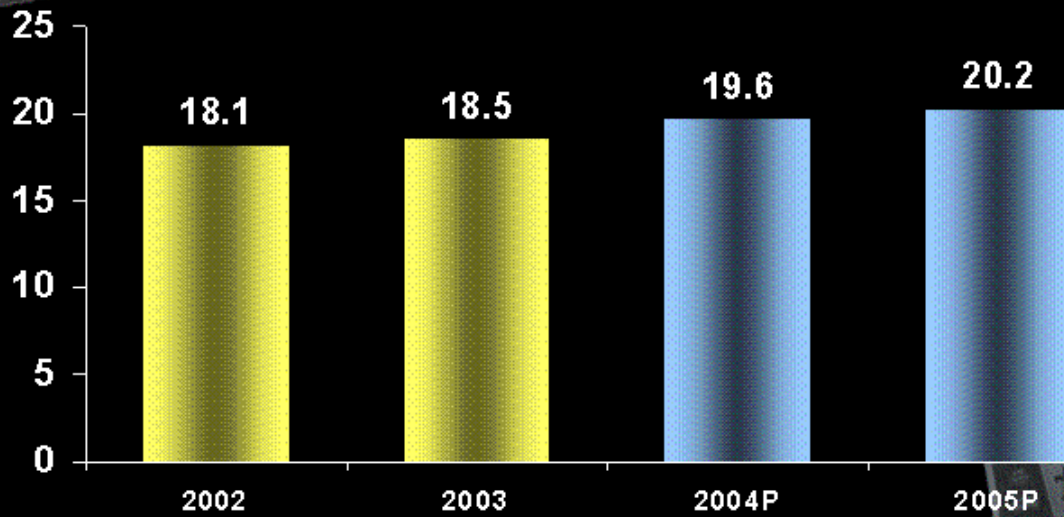
(Includes India)



© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.

Light Vehicle Production Asia Pacific

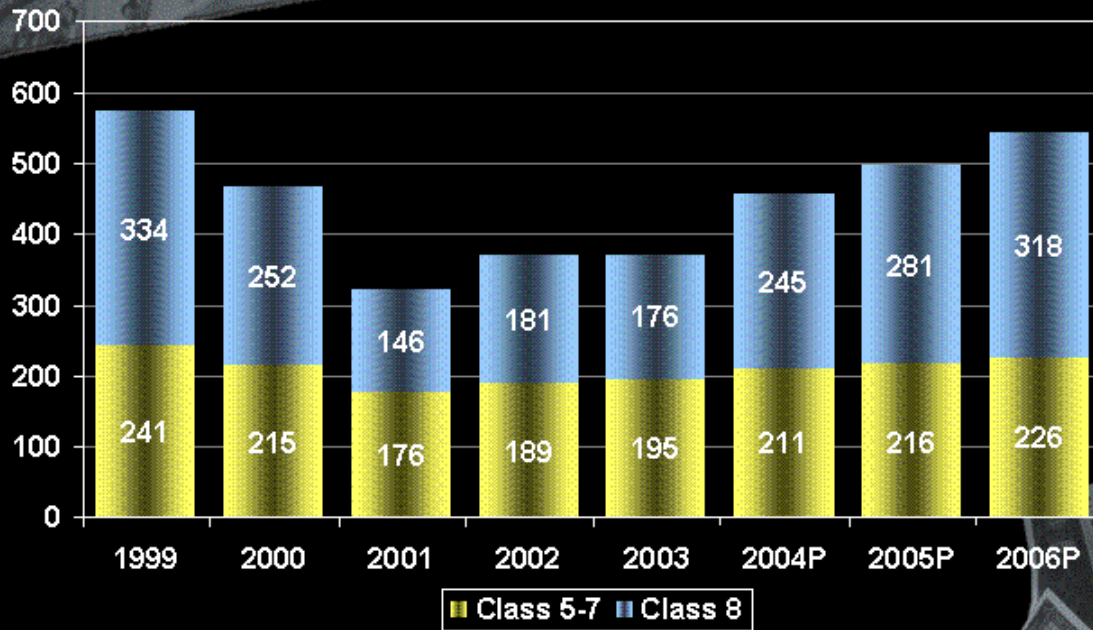
Units in Millions



© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.

NAFTA Production Class 5-8

Units (000s)

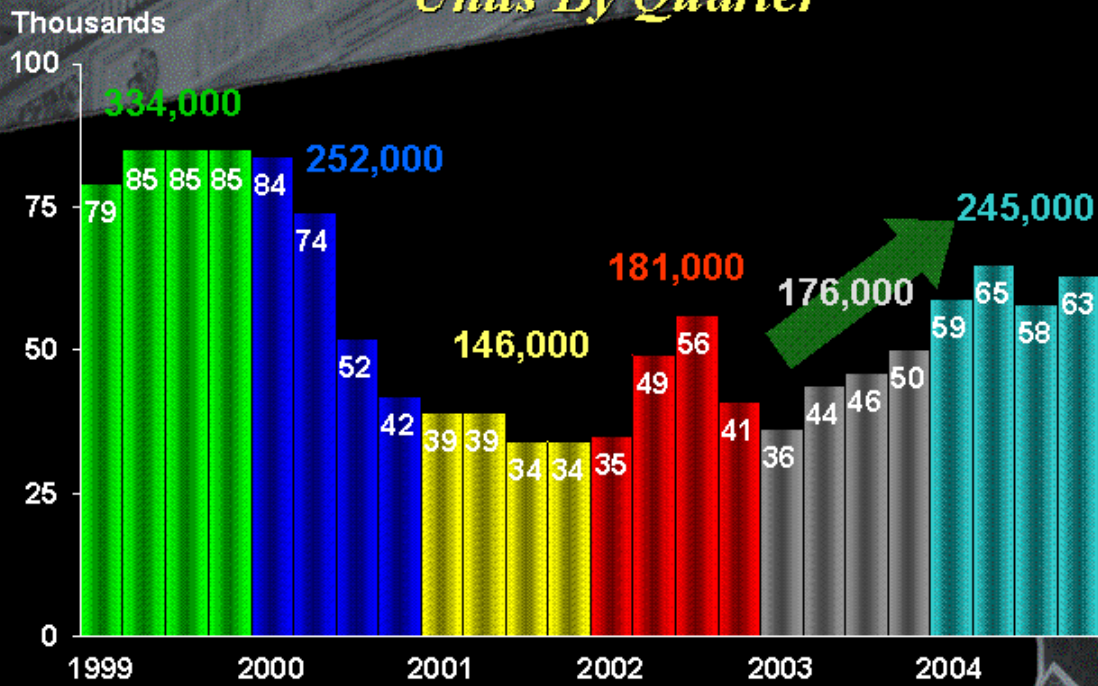


■ Class 5-7 ■ Class 8



© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.

NAFTA Heavy Truck Build Units By Quarter



© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.

DANA

2004 Off-Highway Environment (Projected Vehicle Production)

| | N.A. | Europe | S.A. | Asia |
|---|------|--------|------|------|
|  Construction | +11% | +3% | +2% | +3% |
|  Mining | +0% | +0% | | |
|  Forestry | +13% | -5% | | |
|  Agriculture | +16% | -4% | +5% | +6% |
|  Material Handling | +9% | +5% | +6% | +4% |
|  OPE | +3% | +2% | | |
|  Leisure/Utility | +1% | +0% | | |

© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.



Exciting New Programs



- ▶ Tundra
- ▶ Tacoma
- ▶ Hilux



- ▶ Titan/Armada
- ▶ Infiniti Version



- ▶ X5
- ▶ X3
- ▶ Z4

Ford Motor Company

- ▶ F-150
- ▶ Land Rover Discovery



GM General Motors

- ▶ Colorado/Canyon
- ▶ Corvette C6
- ▶ Hummer H3

DAIMLERCHRYSLER

- ▶ PT Cruiser Turbo
- ▶ Chrysler Pacifica



2004 Guidance: Supporting Assumptions

- ▶ **Market Forecasts**
- ▶ **Net New Business**
- ▶ **Start-Up Costs**
- ▶ **Restructuring Benefits**
- ▶ **Debt Reduction**
- ▶ **AAG Transaction Closes by End of Q2**



DANA

Pro-Forma Performance

(\$ Millions, except per share data)

| | <u>2003</u> <u>Actual</u> | <u>2004</u> <u>Plan</u> |
|------------|------------------------------|----------------------------|
| Sales | \$ 7,918 | ≥ \$8,500 |
| Net Income | 222 | ≥ 285 |
| EPS | 1.49 | ≥ 1.90 |



DANA

© Dana Corporation. Dated February 11, 2004. Slide may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.

2004 Cash Flow Projection (\$ Millions)

Sources:

| | | |
|---------------------------|----|-------|
| Net income | \$ | 285 |
| Depreciation | | 315 |
| Working capital reduction | | 100 |
| | | <hr/> |
| | \$ | 700 |

Less:

| | | |
|---------------------------|----|-------|
| Capital spend | | (315) |
| Restructuring payments | | (80) |
| Dividends at current rate | | (70) |
| | | <hr/> |
| | \$ | (465) |

Free Cash Flow \$ 235

Note - Excludes effect of proposed aftermarket divestiture except on Net Income

The New Dana

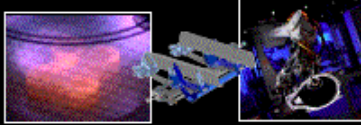
New Direction



New Partnerships



New Products & Technologies



New Programs



New Spirit



New Leadership





Thank You

©Dana Corporation. February 11, 2004.

The background of the slide features a grayscale image of a classical building facade with columns and a newspaper in the foreground. The newspaper has the word 'CORPORATION' visible on it.

Supplemental Information

©Dana Corporation, February 11, 2004.

Q4 2003 Income Statement Reconciliation

With DCC on an Equity Basis

| (Millions) | Total | Previous Disc. Ops. | Q4-2003 "Expected" | AAG Sale | Q4-2003 Reported |
|----------------------------|--------------|------------------------|-----------------------|--------------|---------------------|
| Net sales | \$ 2,523 | \$ 0 | \$ 2,523 | \$ (473) | \$ 2,050 |
| Other income | 25 | 3 | 28 | (10) | 18 |
| Total | <u>2,548</u> | <u>3</u> | <u>2,551</u> | <u>(483)</u> | <u>2,068</u> |
| Cost of sales | 2,291 | (2) | 2,289 | (406) | 1,883 |
| SG & A | 164 | 0 | 164 | (57) | 107 |
| Restructuring expense | 4 | 0 | 4 | 1 | 5 |
| Interest expense | 39 | 0 | 39 | (1) | 38 |
| Total | <u>2,498</u> | <u>(2)</u> | <u>2,496</u> | <u>(463)</u> | <u>2,033</u> |
| Income before taxes | 50 | 5 | 55 | (20) | 35 |
| Income tax benefit (exp.) | (1) | (1) | (2) | 4 | 2 |
| Minority interest | (3) | | (3) | 0 | (3) |
| Equity earn. of affiliates | 22 | 0 | 22 | 0 | 22 |
| Income - cont. ops. | 68 | 4 | 72 | (16) | 56 |
| Income - disc. ops. | | (4) | (4) | 16 | 12 |
| Net income | <u>\$ 68</u> | <u>\$ -</u> | <u>\$ 68</u> | <u>\$ -</u> | <u>\$ 68</u> |

2002 Income Statement Reconciliation

With DCC on an Equity Basis

| (Millions) | 2002 Reported | AAG Sale | 2002 Restated |
|----------------------------------|------------------|-------------|------------------|
| Net sales | \$ 9,504 | \$ (2,003) | \$ 7,501 |
| Other income | 58 | (1) | 57 |
| Total | 9,562 | (2,004) | 7,558 |
| Cost of sales | 8,488 | (1,621) | 6,867 |
| SG & A | 709 | (242) | 467 |
| Restructuring expense | 194 | (36) | 158 |
| Interest expense | 176 | (1) | 175 |
| Total | 9,567 | (1,900) | 7,667 |
| Loss before taxes | (5) | (104) | (109) |
| Income tax benefit (expense) | (19) | 50 | 31 |
| Minority interest | (15) | 2 | (13) |
| Equity earnings of affiliates | 97 | 0 | 97 |
| Income - continuing operations | 58 | (52) | 6 |
| Income - discontinued operations | (20) | 52 | 32 |
| Income before acc't change | 38 | 0 | 38 |
| Effects of acc't change | (220) | 0 | (220) |
| Net loss | \$ (182) | \$ - | \$ (182) |

©Dana Corporation, February 11, 2004.

Q4 2002 Income Statement Reconciliation

With DCC on an Equity Basis

(Millions)

| | <u>Q4 2002 Reported</u> | <u>AAG Sale</u> | <u>Q4 2002 Restated</u> |
|-------------------------------|-----------------------------|---------------------|-----------------------------|
| Net sales | \$ 2,251 | \$ (461) | \$ 1,790 |
| Other income | 11 | 1 | 12 |
| Total | <u>2,262</u> | <u>(460)</u> | <u>1,802</u> |
| Cost of sales | 2,031 | (376) | 1,655 |
| SG & A | 151 | (44) | 107 |
| Restructuring expense | 72 | (4) | 68 |
| Interest expense | 45 | (3) | 42 |
| Total | <u>2,299</u> | <u>(427)</u> | <u>1,872</u> |
| Loss before taxes | (37) | (33) | (70) |
| Income tax benefit (expense) | 27 | 18 | 45 |
| Minority interest | (2) | 0 | (2) |
| Equity earnings of affiliates | 26 | 0 | 26 |
| Income (loss) - cont. ops. | 14 | (15) | (1) |
| Income (loss) - disc. ops. | (23) | 15 | (8) |
| Net loss | <u>\$ (9)</u> | <u>\$ -</u> | <u>\$ (9)</u> |

Segment Table - Q4 2003 Reconciliation

| (Millions) | Sales | | | OPAT | | |
|--|-----------------|-----------------|-----------------|--------------|----------------|--------------|
| | "Expected" | AAG Sale | Reported | "Expected" | AAG Sale | Reported |
| Automotive | \$ 1,035 | \$ --- | \$ 1,035 | \$ 39 | \$ --- | \$ 39 |
| Aftermarket | 514 | (514) | --- | 17 | (17) | --- |
| Engine & Fluid | 513 | 23 | 536 | 26 | 1 | 27 |
| Heavy Vehicle | 516 | --- | 516 | 22 | --- | 22 |
| DCC | --- | --- | --- | 4 | --- | 4 |
| Other | (55) | 18 | (37) | (46) | 2 | (44) |
| Results from cont. operations | \$ 2,523 | \$ (473) | \$ 2,050 | \$ 62 | \$ (14) | \$ 48 |
| Discontinued ops. | | | | --- | 14 | 14 |
| Unusual items | | | | 6 | --- | 6 |
| Consolidated | \$ 2,523 | \$ (473) | \$ 2,050 | \$ 68 | \$ --- | \$ 68 |

Segment Table - Full Year 2002 Reconciliation

| (Millions) | Sales | | | OPAT | | |
|--|-----------------|-------------------|-----------------|-----------------|----------------|-----------------|
| | Reported | AAG Sale | Restated | Reported | AAG Sale | Restated |
| Automotive | \$ 3,629 | \$ --- | \$ 3,629 | \$ 157 | \$ --- | \$ 157 |
| Aftermarket | 2,189 | (2,189) | --- | 107 | (107) | --- |
| Engine & Fluid | 2,046 | 111 | 2,157 | 81 | (8) | 73 |
| Heavy Vehicle | 1,889 | --- | 1,889 | 63 | --- | 63 |
| DCC | --- | --- | --- | 26 | --- | 26 |
| Other | (249) | 75 | (174) | (253) | 17 | (236) |
| Results from cont. operations | \$ 9,504 | \$ (2,003) | \$ 7,501 | \$ 181 | \$ (98) | \$ 83 |
| Discontinued ops. | | | | (10) | 98 | 88 |
| Unusual items | | | | (133) | --- | (133) |
| Effect of acct. chg. | | | | (220) | --- | (220) |
| Consolidated | \$ 9,504 | \$ (2,003) | \$ 7,501 | \$ (182) | \$ --- | \$ (182) |

Segment Table - Q4 2002 Reconciliation

| (Millions) | Sales | | | OPAT | | |
|--|-----------------|-----------------|-----------------|---------------|----------------|---------------|
| | Reported | AAG Sale | Restated | Reported | AAG Sale | Restated |
| Automotive | \$ 906 | \$ --- | \$ 906 | \$ 41 | \$ --- | \$ 41 |
| Aftermarket | 498 | (498) | --- | 25 | (25) | --- |
| Engine & Fluid | 475 | 21 | 496 | 19 | (4) | 15 |
| Heavy Vehicle | 437 | --- | 437 | 10 | --- | 10 |
| DCC | --- | --- | --- | 3 | --- | 3 |
| Other | (65) | 16 | (49) | (57) | 7 | (50) |
| Results from cont. operations | \$ 2,251 | \$ (461) | \$ 1,790 | \$ 41 | \$ (22) | \$ 19 |
| Discontinued ops. | | | | (9) | 22 | 13 |
| Unusual items | | | | (41) | --- | (41) |
| Consolidated | \$ 2,251 | \$ (461) | \$ 1,790 | \$ (9) | \$ --- | \$ (9) |

Fourth-Quarter Segment Comparison

(Millions)

| | Sales | | | OPAT | | |
|--|----------------|----------------|------------|-----------|------------|-------------|
| | 2003 | 2002 | Chg. | 2003 | 2002 | Chg. |
| Automotive | \$1,035 | \$ 906 | 14% | \$ 39 | \$ 41 | (5)% |
| Engine & Fluid | 536 | 496 | 8 | 27 | 15 | 80 |
| Heavy Vehicle | 516 | 437 | 18 | 22 | 10 | 120 |
| DCC | | | | 4 | 3 | 33 |
| Other | (37) | (49) | 24 | (44) | (50) | 12 |
| Results from cont. operations | \$2,050 | \$1,790 | 15% | 48 | 19 | 153% |
| Discontinued ops. | | | | 14 | 13 | N/M |
| Unusual items | | | | 6 | (41) | N/M |
| Consolidated | \$2,050 | \$1,790 | 15% | 68 | (9) | N/M |

NM: Not Meaningful



©Dana Corporation. February 11, 2004.

CONTACT: Michelle L. Hards
(419) 535-4636
michelle.hards@dana.com

DANA CORPORATION REPORTS INCREASED EARNINGS

TOLEDO, Ohio, Feb. 11, 2004 – Dana Corporation (NYSE: DCN) announced improved performance for the fourth-quarter and full-year 2003, and increased its dividend payment for the first quarter of 2004. Specifically:

- Fourth-quarter net income increased to \$68 million from a loss of \$9 million during the same period of the prior year;
- Full-year net income improved to \$222 million from a loss of \$182 million in 2002; and
- The quarterly dividend was doubled from 6 to 12 cents per share.

“Notwithstanding the extraordinary challenges Dana faced in 2003, we continued to execute on our restructuring plan and, as a result, improved our earnings and strengthened our balance sheet,” said Dana Chairman Glen Hiner. “Building on this foundation, we begin the new year with renewed momentum, exciting programs with a diverse group of global customers, and a sharpened strategic focus.”

In a move to further refine its direction, Dana announced in December its intent to divest substantially all of its Automotive Aftermarket business unit. These operations have been re-classified as discontinued operations.

Financial Summary

(in millions, except earnings per share)

| | 4th Quarter | | Full Year | |
|--|----------------|------------------|-----------------|------------------|
| | 2003 | 2002 | 2003 | 2002 |
| Net Sales | | | | |
| Continuing operations | \$2,050 | \$1,790 | \$ 7,918 | \$ 7,501 |
| Discontinued operations | 473 | 617 | 2,153 | 2,782 |
| Total | <u>\$2,523</u> | <u>\$2,407</u> | <u>\$10,071</u> | <u>\$10,283</u> |
| Net Income (Loss) | | | | |
| Income (loss) from continuing operations | \$ 56 | \$ (1) | \$ 175 | \$ 6 |
| Income (loss) from discontinued operations | 12 | (8) | 47 | 32 |
| Goodwill accounting change | — | — | — | (220) |
| Net income (loss) | <u>\$ 68</u> | <u>\$ (9)</u> | <u>\$ 222</u> | <u>\$ (182)</u> |
| Net income, excluding unusual items | \$ 62 | \$ 32 | \$ 183 | \$ 171 |
| Goodwill accounting change | — | — | — | (220) |
| October 2001 plan restructuring | — | (44) | — | (163) |
| Net gain on divestitures | 6 | 3 | 30 | 30 |
| Gain on repurchase of notes | — | — | 9 | — |
| Net income (loss) | <u>\$ 68</u> | <u>\$ (9)</u> | <u>\$ 222</u> | <u>\$ (182)</u> |
| Diluted Earnings per Share | | | | |
| Net Income, excluding unusual items | \$ 0.41 | \$ 0.22 | \$ 1.23 | \$ 1.15 |
| Net income (loss) | <u>\$ 0.45</u> | <u>\$ (0.06)</u> | <u>\$ 1.49</u> | <u>\$ (1.22)</u> |

(more)

Fourth-Quarter Results

Sales from continuing operations were \$2.1 billion for the fourth quarter of 2003, compared to \$1.8 billion during the same period last year. Sales in 2003 were favorably impacted by \$132 million of foreign currency translation. The balance of the increase was due to improved heavy-truck production in North America and new business coming on stream.

Net income totaled \$68 million, or 45 cents per share, compared to a loss of \$9 million, or 6 cents per share, during the same period in 2002. The improvement was driven by higher sales, the effects of the company's restructuring plan, and certain tax benefits, which more than offset higher-than-anticipated start-up costs in its structures business.

Full-Year Results

Sales from continuing operations were \$7.9 billion in 2003, compared to \$7.5 billion in 2002. The increase in full-year sales was largely due to foreign currency translation and new business, offset partially by lower North American vehicular production, particularly in the first half of 2003.

Net income in 2003 totaled \$222 million, or \$1.49 per share, compared to a loss of \$182 million, or \$1.22 cents per share, in 2002. Net income in 2003 included net gains from divestitures and the repurchase of debt, while net income in 2002 reflected a charge associated with the change in accounting for goodwill, restructuring costs, and net divestiture gains.

"In early 2003, lower vehicle production and softness in aftermarket business hampered our year-on-year comparisons," said Chief Financial Officer Bob Richter. "However, improved performance in our engine and heavy vehicle units drove stronger earnings in the second half of the year. But for the effect of start-up costs in structures, we would have seen the same type of improvement from the Automotive Systems Group as well.

"We came in under our targeted working capital reduction, due in large part to a delay in receiving certain customer tooling reimbursements," Mr. Richter added. "Nevertheless, we are pleased with the improvement in our balance sheet, which shows a substantial reduction in net debt. In fact, aided by the positive effect of currency movements and pension adjustments on net worth, our ratio of net debt-to-capital, exclusive of Dana Credit Corporation, improved to 45 percent from 57 percent a year ago."

2004 Outlook

Commenting on the current year, Mr. Richter said the company anticipates increased sales in its key global markets: light vehicular, heavy vehicle, and off-highway. "Along with favorable market conditions, particularly in the North American heavy-truck segment, we expect to benefit more fully from our restructuring, which is now essentially complete," he said.

"The early part of the year continues to be impacted by our product launches," he added. "So in the near-term, we have two major objectives. First, we intend to put the structures start-ups behind us, collect the related tooling payments, and realize the significant contribution we expect from these new programs. Secondly, we will work diligently to complete the sale of our aftermarket group.

"We take pride in the efforts of our people over the last two years," Mr. Hiner added. "We believe our significant progress in realigning and refocusing Dana, in combination with the expected upturn in our global markets, bodes well for a solid 2004 and beyond."

(more)

Dividend Increased to 12 Cents per Share for the First Quarter

On Feb. 10, Dana's Board of Directors declared a dividend of 12 cents per share for the first quarter, which compares to 6 cents per share for the previous quarter. "For the second consecutive quarter, we are pleased to provide our shareholders with a sizeable dividend increase," Mr. Hiner said. "This action is a clear expression of the Board's confidence in Dana's future and its strong belief that dividends are an important component of the total return that we provide to our shareholders."

Quarterly Conference Call Scheduled Today at 10 a.m.

Dana will discuss its fourth-quarter and full-year results in a conference call at 10 a.m. (EDT) today. The call may be accessed via Dana's web site (www.dana.com), where it will be accompanied by a slide presentation, or by dialing (800) 275-3210. Please dial into the conference five minutes prior to the call. An audio recording of this conference call will be available after 1 p.m. today. To access this recording, please dial (800) 537-8823. A webcast replay of the call will be available after 3 p.m. today and will be accessible via the Dana web site.

Dana Corporation is a global leader in the design, engineering, and manufacture of value-added products and systems for automotive, commercial, and off-highway vehicle manufacturers and their related aftermarkets. The company's continuing operations employ approximately 45,000 people worldwide and reported 2003 sales of \$7.9 billion. Founded in 1904 and based in Toledo, Ohio, Dana operates hundreds of technology, manufacturing, and customer service facilities in 30 countries.

Certain statements contained in this release constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements represent Dana's expectations based on our current information and assumptions. Forward-looking statements are inherently subject to risks and uncertainties. Dana's actual results could differ materially from those that are anticipated or projected due to a number of factors. These factors include national and international economic conditions; adverse effects from terrorism or hostilities; the strength of other currencies relative to the U.S. dollar; the cyclical nature of the global vehicular industry; changes in business relationships with our major customers and in the timing, size and continuation of their and our programs; the ability of our customers and suppliers to achieve their projected sales and production levels; competitive pressures on our sales and pricing; increases in production or material costs that cannot be recouped in product pricing; the continued success of our cost reduction and cash management programs and of our long-term transformation strategy for the company; the success and timing of the contemplated divestiture of the Automotive Aftermarket business unit; and other factors set out in our public filings with the Securities and Exchange Commission. Dana does not undertake to update any forward-looking statements in this release.

###

Dana Corporation
Condensed Statement of Income (Unaudited)
(in millions, except per share amounts)

| | Three Months Ended December 31 | |
|---|---------------------------------------|------------------|
| | 2003 | 2002 |
| Net sales | \$2,050 | \$1,790 |
| Revenue from lease financing and other income | 36 | 19 |
| | <u>2,086</u> | <u>1,809</u> |
| Costs and expenses | | |
| Cost of sales | 1,870 | 1,638 |
| Selling, general and administrative expenses | 128 | 141 |
| Restructuring charges | 5 | 68 |
| Interest expense | 52 | 62 |
| | <u>2,055</u> | <u>1,909</u> |
| Income (loss) before income taxes | 31 | (100) |
| Income tax benefit | 15 | 85 |
| Minority interest | (3) | (2) |
| Equity in earnings of affiliates | 13 | 16 |
| Income (loss) from continuing operations | 56 | (1) |
| Income (loss) from discontinued operations | 12 | (8) |
| Net income (loss) | <u>\$ 68</u> | <u>\$ (9)</u> |
| Basic earnings (loss) per share | | |
| Income (loss) from continuing operations | \$ 0.37 | \$ (0.01) |
| Income (loss) from discontinued operations | 0.08 | (0.05) |
| Net income (loss) | <u>\$ 0.45</u> | <u>\$ (0.06)</u> |
| Diluted earnings (loss) per share | | |
| Income (loss) from continuing operations | \$ 0.37 | \$ (0.01) |
| Income (loss) from discontinued operations | 0.08 | (0.05) |
| Net income (loss) | <u>\$ 0.45</u> | <u>\$ (0.06)</u> |
| Average shares outstanding - | | |
| For Basic EPS | 148 | 148 |
| For Diluted EPS | 150 | 149 |

Dana Corporation
Condensed Statement of Income (Unaudited)
(in millions, except per share amounts)

| | Year Ended December 31 | |
|---|-------------------------------|------------------|
| | 2003 | 2002 |
| Net sales | \$7,918 | \$7,501 |
| Revenue from lease financing and other income | 149 | 188 |
| | <u>8,067</u> | <u>7,689</u> |
| Costs and expenses | | |
| Cost of sales | 7,245 | 6,804 |
| Selling, general and administrative expenses | 520 | 582 |
| Restructuring charges | | 158 |
| Interest expense | 221 | 259 |
| | <u>7,986</u> | <u>7,803</u> |
| Income (loss) before income taxes | 81 | (114) |
| Income tax benefit | 49 | 78 |
| Minority interest | (7) | (13) |
| Equity in earnings of affiliates | 52 | 55 |
| Income from continuing operations before effect of change in accounting | 175 | 6 |
| Income from discontinued operations | 47 | 32 |
| Income before effect of change in accounting | 222 | 38 |
| Effect of change in accounting | | (220) |
| Net income (loss) | <u>\$ 222</u> | <u>\$ (182)</u> |
| Basic earnings (loss) per share | | |
| Income from continuing operations before effect of change in accounting | \$ 1.17 | \$ 0.04 |
| Income from discontinued operations | 0.32 | 0.22 |
| Effect of change in accounting | | (1.49) |
| Net income (loss) | <u>\$ 1.49</u> | <u>\$ (1.23)</u> |
| Diluted earnings (loss) per share | | |
| Income from continuing operations before effect of change in accounting | \$ 1.17 | \$ 0.04 |
| Income from discontinued operations | 0.32 | 0.22 |
| Effect of change in accounting | | (1.48) |
| Net income (loss) | <u>\$ 1.49</u> | <u>\$ (1.22)</u> |
| Average shares outstanding - | | |
| For Basic EPS | 148 | 148 |
| For Diluted EPS | 149 | 149 |

Dana Corporation
Condensed Balance Sheet (Unaudited)
(in millions)

| | <u>December 31</u> 2003 | <u>December 31</u> 2002 |
|---|----------------------------|----------------------------|
| <u>Assets</u> | | |
| Current assets | | |
| Cash and cash equivalents | \$ 731 | \$ 571 |
| Accounts receivable | | |
| Trade | 1,048 | 1,348 |
| Other | 326 | 320 |
| Inventories | 743 | 1,116 |
| Discontinued operations | 1,254 | 177 |
| Other current assets | <u>431</u> | <u>586</u> |
| Total current assets | 4,533 | 4,118 |
| Investment in leases | 622 | 827 |
| Investments and other assets | 2,252 | 2,052 |
| Property, plant and equipment, net | <u>2,210</u> | <u>2,556</u> |
| Total assets | <u>\$9,617</u> | <u>\$9,553</u> |
| <u>Liabilities and Shareholders' Equity</u> | | |
| Current liabilities | | |
| Notes payable | \$ 493 | \$ 287 |
| Accounts payable | 1,076 | 1,004 |
| Discontinued operations | 307 | 68 |
| Other current liabilities | <u>1,089</u> | <u>1,465</u> |
| Total current liabilities | 2,965 | 2,824 |
| Long-term debt | 2,605 | 3,215 |
| Deferred employee benefits and other noncurrent liabilities | 1,901 | 1,925 |
| Minority interest | 96 | 107 |
| Shareholders' equity | <u>2,050</u> | <u>1,482</u> |
| Total liabilities and shareholders' equity | <u>\$9,617</u> | <u>\$9,553</u> |

Dana Corporation
Condensed Statement of Cash Flows (Unaudited)
(in millions)

| | Three Months Ended December 31 | |
|--|---------------------------------------|---------------|
| | 2003 | 2002 |
| Net income (loss) | \$ 68 | \$ (9) |
| Depreciation and amortization | 100 | 118 |
| Asset impairment | 3 | 69 |
| Gain on divestitures, asset sales and note repurchases | (18) | (18) |
| Working capital decrease | 105 | 61 |
| Other | (8) | (60) |
| Net cash flows — operating activities | <u>250</u> | <u>161</u> |
| Purchases of property, plant and equipment | (90) | (125) |
| Payments received on leases | 5 | (7) |
| Net loan repayments from customers | 2 | 2 |
| Divestitures | | 271 |
| Asset sales | 76 | 282 |
| Other | 14 | 35 |
| Net cash flows — investing activities | <u>7</u> | <u>458</u> |
| Net change in short-term debt | (104) | (274) |
| Payments on long-term debt | (47) | (215) |
| Dividends paid | (9) | (1) |
| Other | 1 | (3) |
| Net cash flows — financing activities | <u>(159)</u> | <u>(493)</u> |
| Net change in cash and cash equivalents | 98 | 126 |
| Net change in cash — discontinued operations | (3) | (2) |
| Cash and cash equivalents — beginning of period | 636 | 447 |
| Cash and cash equivalents — end of period | <u>\$ 731</u> | <u>\$ 571</u> |

Dana Corporation
Condensed Statement of Cash Flows (Unaudited)
(in millions)

| | Year Ended December 31 | |
|--|-------------------------------|---------------|
| | 2003 | 2002 |
| Net income (loss) | \$ 222 | \$(182) |
| Depreciation and amortization | 394 | 478 |
| Asset impairment | 21 | 114 |
| Change in accounting for goodwill | | 220 |
| Gain on divestitures, asset sales and note repurchases | (47) | (53) |
| Working capital decrease (increase) | (212) | 50 |
| Other | (43) | (106) |
| Net cash flows — operating activities | <u>335</u> | <u>521</u> |
| Purchases of property, plant and equipment | (305) | (375) |
| Payments received on leases | 26 | 39 |
| Net loan repayments from customers | 14 | 20 |
| Acquisitions | | (31) |
| Divestitures | 145 | 506 |
| Asset sales | 282 | 349 |
| Other | 47 | 17 |
| Net cash flows — investing activities | <u>209</u> | <u>525</u> |
| Net change in short-term debt | (113) | (556) |
| Proceeds from long-term debt | | 285 |
| Payments on and repurchases of long-term debt | (272) | (467) |
| Dividends paid | (14) | (6) |
| Other | 17 | 72 |
| Net cash flows — financing activities | <u>(382)</u> | <u>(672)</u> |
| Net change in cash and cash equivalents | 162 | 374 |
| Net change in cash — discontinued operations | (2) | (2) |
| Cash and cash equivalents — beginning of period | 571 | 199 |
| Cash and cash equivalents — end of period | <u>\$ 731</u> | <u>\$ 571</u> |

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Condensed Statement of Income (Unaudited)
(in millions)

| | Three Months Ended December 31 | |
|--|---------------------------------------|---------------|
| | 2003 | 2002 |
| Net sales | \$2,050 | \$1,790 |
| Other income | 18 | 12 |
| | <u>2,068</u> | <u>1,802</u> |
| Costs and expenses | | |
| Cost of sales | 1,883 | 1,655 |
| Selling, general and administrative expenses | 107 | 107 |
| Restructuring charges | 5 | 68 |
| Interest expense | 38 | 42 |
| | <u>2,033</u> | <u>1,872</u> |
| Income (loss) before income taxes | 35 | (70) |
| Income tax benefit | 2 | 45 |
| Minority interest | (3) | (2) |
| Equity in earnings of affiliates | 22 | 26 |
| Income (loss) from continuing operations | 56 | (1) |
| Income (loss) from discontinued operations | 12 | (8) |
| Net income (loss) | <u>\$ 68</u> | <u>\$ (9)</u> |

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Condensed Statement of Income (Unaudited)
(in millions)

| | Year Ended December 31 | |
|---|-------------------------------|-----------------|
| | 2003 | 2002 |
| Net sales | \$7,918 | \$7,501 |
| Other income | 91 | 57 |
| | <u>8,009</u> | <u>7,558</u> |
| Costs and expenses | | |
| Cost of sales | 7,293 | 6,867 |
| Selling, general and administrative expenses | 447 | 467 |
| Restructuring charges | | 158 |
| Interest expense | 160 | 175 |
| | <u>7,900</u> | <u>7,667</u> |
| Income (loss) before income taxes | 109 | (109) |
| Income tax benefit (expense) | (20) | 31 |
| Minority interest | (7) | (13) |
| Equity in earnings of affiliates | 93 | 97 |
| Income from continuing operations before effect of change in accounting | 175 | 6 |
| Income from discontinued operations | 47 | 32 |
| Income before effect of change in accounting | 222 | 38 |
| Effect of change in accounting | | (220) |
| Net income (loss) | <u>\$ 222</u> | <u>\$ (182)</u> |

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Condensed Balance Sheet (Unaudited)
(in millions)

| | <u>December 31</u> <u>2003</u> | <u>December 31</u> <u>2002</u> |
|---|-----------------------------------|-----------------------------------|
| <u>Assets</u> | | |
| Current assets | | |
| Cash and cash equivalents | \$ 664 | \$ 551 |
| Accounts receivable | | |
| Trade | 1,048 | 1,348 |
| Other | 300 | 209 |
| Inventories | 743 | 1,116 |
| Discontinued operations | 1,254 | 177 |
| Other current assets | <u>399</u> | <u>539</u> |
| Total current assets | 4,408 | 3,940 |
| Investments and other assets | 2,580 | 2,375 |
| Property, plant and equipment, net | <u>2,014</u> | <u>2,253</u> |
| Total assets | <u>\$9,002</u> | <u>\$8,568</u> |
| <u>Liabilities and Shareholders' Equity</u> | | |
| Current liabilities | | |
| Notes payable | \$ 260 | \$ 53 |
| Accounts payable | 1,076 | 1,004 |
| Discontinued operations | 307 | 68 |
| Other current liabilities | <u>1,235</u> | <u>1,487</u> |
| Total current liabilities | 2,878 | 2,612 |
| Long-term debt | 2,087 | 2,462 |
| Deferred employee benefits and other noncurrent liabilities | 1,893 | 1,906 |
| Minority interest | 94 | 106 |
| Shareholders' equity | <u>2,050</u> | <u>1,482</u> |
| Total liabilities and shareholders' equity | <u>\$9,002</u> | <u>\$8,568</u> |

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Cash Flow Impact on Net Debt (Unaudited)
(in millions)

| | Three Months Ended December 31 | |
|--|---------------------------------------|---------------|
| | 2003 | 2002 |
| Sources | | |
| Net income | \$ 68 | \$ (9) |
| Depreciation | 88 | 96 |
| Divestitures and non-restructuring asset sales | 25 | 345 |
| Working capital decrease (increase) | 147 | 294 |
| | <u>328</u> | <u>726</u> |
| Uses | | |
| Capital spend | (86) | (60) |
| Dividends | (9) | (1) |
| Net changes in other accounts | 14 | (245) |
| | <u>(81)</u> | <u>(306)</u> |
| October 2001 restructuring cash impact | | |
| After-tax charges | | 44 |
| Cash payments | (44) | (92) |
| Proceeds from asset sales | 21 | 77 |
| | <u>(23)</u> | <u>29</u> |
| Cash change in net debt | <u>\$224</u> | <u>\$ 449</u> |

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Cash Flow Impact on Net Debt (Unaudited)
(in millions)

| | Year Ended December 31 | |
|--|-------------------------------|---------------|
| | 2003 | 2002 |
| Sources | | |
| Net income (loss) | \$ 222 | \$ (182) |
| Change in accounting for goodwill | | 220 |
| Net income before goodwill change | 222 | 38 |
| Depreciation | 337 | 387 |
| Divestitures and non-restructuring asset sales | 177 | 398 |
| Working capital decrease (increase) | (72) | 279 |
| | <u>664</u> | <u>1,102</u> |
| Uses | | |
| Capital spend | (295) | (246) |
| Dividends | (14) | (6) |
| Acquisitions | | (31) |
| Net changes in other accounts | (5) | (190) |
| | <u>(314)</u> | <u>(473)</u> |
| October 2001 restructuring cash impact | | |
| After-tax charges | | 163 |
| Cash payments | (136) | (200) |
| Proceeds from asset sales | 58 | 100 |
| | <u>(78)</u> | <u>63</u> |
| Cash change in net debt | <u>\$ 272</u> | <u>\$ 692</u> |

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

| | Three Months Ended December 31, 2003 | | | |
|--|--|-------------|--------------------------------|------------------------------|
| | <u>Dana with DCC on Equity Basis</u> | <u>DCC</u> | <u>Elimination Entries</u> | <u>Dana Consolidated</u> |
| Net sales | \$2,050 | \$ | \$ | \$2,050 |
| Other income | 18 | 34 | (16) | 36 |
| | <u>2,068</u> | <u>34</u> | <u>(16)</u> | <u>2,086</u> |
| Costs and expenses | | | | |
| Cost of sales | 1,883 | | (13) | 1,870 |
| Selling, general and administrative expenses | 107 | 24 | (3) | 128 |
| Restructuring charges | 5 | | | 5 |
| Interest expense | 38 | 14 | | 52 |
| | <u>2,033</u> | <u>38</u> | <u>(16)</u> | <u>2,055</u> |
| Income (loss) before income taxes | 35 | (4) | — | 31 |
| Income tax benefit (expense) | 2 | 13 | | 15 |
| Minority interest | (3) | | | (3) |
| Equity in earnings of affiliates | 22 | 4 | (13) | 13 |
| Income from continuing operations | 56 | 13 | (13) | 56 |
| Income from discontinued operations | 12 | | | 12 |
| Net income | <u>\$ 68</u> | <u>\$13</u> | <u>\$(13)</u> | <u>\$ 68</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

| | Year Ended December 31, 2003 | | | |
|--|--|--------------|--------------------------------|------------------------------|
| | <u>Dana with DCC on Equity Basis</u> | <u>DCC</u> | <u>Elimination Entries</u> | <u>Dana Consolidated</u> |
| Net sales | \$7,918 | \$ | \$ | \$7,918 |
| Other income | 91 | 134 | (76) | 149 |
| | <u>8,009</u> | <u>134</u> | <u>(76)</u> | <u>8,067</u> |
| Costs and expenses | | | | |
| Cost of sales | 7,293 | | (48) | 7,245 |
| Selling, general and administrative expenses | 447 | 101 | (28) | 520 |
| Interest expense | 160 | 61 | | 221 |
| | <u>7,900</u> | <u>162</u> | <u>(76)</u> | <u>7,986</u> |
| Income (loss) before income taxes | 109 | (28) | — | 81 |
| Income tax benefit (expense) | (20) | 69 | | 49 |
| Minority interest | (7) | | | (7) |
| Equity in earnings of affiliates | 93 | 20 | (61) | 52 |
| Income from continuing operations | 175 | 61 | (61) | 175 |
| Loss from discontinued operations | 47 | | | 47 |
| Net income | <u>\$ 222</u> | <u>\$ 61</u> | <u>\$(61)</u> | <u>\$ 222</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

| | Three Months Ended December 31, 2002 | | | |
|--|--|-------------|--------------------------------|------------------------------|
| | <u>Dana with DCC on Equity Basis</u> | <u>DCC</u> | <u>Elimination Entries</u> | <u>Dana Consolidated</u> |
| Net sales | \$1,790 | \$ | \$ | \$1,790 |
| Other income | 12 | 22 | (15) | 19 |
| | <u>1,802</u> | <u>22</u> | <u>(15)</u> | <u>1,809</u> |
| Costs and expenses | | | | |
| Cost of sales | 1,655 | | (17) | 1,638 |
| Selling, general and administrative expenses | 107 | 42 | (8) | 141 |
| Restructuring charges | 68 | | | 68 |
| Interest expense | 42 | 20 | — | 62 |
| | <u>1,872</u> | <u>62</u> | <u>(25)</u> | <u>1,909</u> |
| Income (loss) before income taxes | (70) | (40) | 10 | (100) |
| Income tax benefit (expense) | 45 | 44 | (4) | 85 |
| Minority interest | (2) | | | (2) |
| Equity in earnings of affiliates | 26 | 5 | (15) | 16 |
| Income (loss) from continuing operations | (1) | 9 | (9) | (1) |
| Loss from discontinued operations | (8) | — | — | (8) |
| Net loss | <u>\$ (9)</u> | <u>\$ 9</u> | <u>\$ (9)</u> | <u>\$ (9)</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

| | Year Ended December 31, 2002 | | | |
|--|-------------------------------------|--------------|------------------------|----------------------|
| | Dana with DCC on Equity Basis | DCC | Elimination Entries | Dana Consolidated |
| Net sales | \$7,501 | \$ | \$ | \$7,501 |
| Other income | 57 | 241 | (110) | 188 |
| | <u>7,558</u> | <u>241</u> | <u>(110)</u> | <u>7,689</u> |
| Costs and expenses | | | | |
| Cost of sales | 6,867 | | (63) | 6,804 |
| Selling, general and administrative expenses | 467 | 162 | (47) | 582 |
| Restructuring charges | 158 | | | 158 |
| Interest expense | 175 | 84 | | 259 |
| | <u>7,667</u> | <u>246</u> | <u>(110)</u> | <u>7,803</u> |
| Loss before income taxes | (109) | (5) | — | (114) |
| Income tax benefit (expense) | 31 | 47 | | 78 |
| Minority interest | (13) | | | (13) |
| Equity in earnings of affiliates | 97 | 23 | (65) | 55 |
| Income from continuing operations | 6 | 65 | (65) | 6 |
| Income from discontinued operations | 32 | | | 32 |
| Income before effect of change in accounting | 38 | 65 | (65) | 38 |
| Effect of change in accounting | (220) | | | (220) |
| Net income (loss) | <u>\$ (182)</u> | <u>\$ 65</u> | <u>\$ (65)</u> | <u>\$ (182)</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Balance Sheet (Unaudited)
(in millions)

| | December 31, 2003 | | | |
|---|-------------------------------------|----------------|------------------------|----------------------|
| | Dana with DCC on Equity Basis | DCC | Elimination Entries | Dana Consolidated |
| <u>Assets</u> | | | | |
| Current assets | | | | |
| Cash and cash equivalents | \$ 664 | \$ 67 | \$ | \$ 731 |
| Accounts receivable | | | | |
| Trade | 1,048 | | | 1,048 |
| Other | 300 | 26 | | 326 |
| Inventories | 743 | | | 743 |
| Discontinued operations | 1,254 | | | 1,254 |
| Other current assets | 399 | 212 | (180) | 431 |
| Total current assets | <u>4,408</u> | <u>305</u> | <u>(180)</u> | <u>4,533</u> |
| Property, plant and equipment, net | 2,014 | 16 | 180 | 2,210 |
| Investment in leases | | 802 | (180) | 622 |
| Investments and other assets | 2,580 | 559 | (887) | 2,252 |
| Total assets | <u>\$9,002</u> | <u>\$1,682</u> | <u>\$(1,067)</u> | <u>\$9,617</u> |
| <u>Liabilities and Shareholders' Equity</u> | | | | |
| Current liabilities | | | | |
| Notes payable | \$ 260 | \$ 233 | \$ | \$ 493 |
| Accounts payable | 1,076 | | | 1,076 |
| Discontinued operations | 307 | | | 307 |
| Other current liabilities | 1,235 | 34 | (180) | 1,089 |
| Total current liabilities | <u>2,878</u> | <u>267</u> | <u>(180)</u> | <u>2,965</u> |
| Long-term debt | 2,087 | 518 | | 2,605 |
| Deferred employee benefits and other noncurrent liabilities | 1,893 | 604 | (596) | 1,901 |
| Minority interest | 94 | 2 | | 96 |
| Shareholders' equity | 2,050 | 291 | (291) | 2,050 |
| Total liabilities and shareholders' equity | <u>\$9,002</u> | <u>\$1,682</u> | <u>\$(1,067)</u> | <u>\$9,617</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Balance Sheet (Unaudited)
(in millions)

| | December 31, 2002 | | | |
|--|-------------------------------------|----------------|------------------------|----------------------|
| | Dana with DCC on Equity Basis | DCC | Elimination Entries | Dana Consolidated |
| <u>Assets</u> | | | | |
| Current assets | | | | |
| Cash and cash equivalents | \$ 551 | \$ 20 | \$ | \$ 571 |
| Accounts receivable | | | | |
| Trade | 1,348 | | | 1,348 |
| Other | 209 | 111 | | 320 |
| Inventories | 1,116 | | | 1,116 |
| Discontinued operations | 177 | | | 177 |
| Other current assets | 539 | 105 | (58) | 586 |
| Total current assets | 3,940 | 236 | (58) | 4,118 |
| Property, plant and equipment, net | 2,253 | 39 | 264 | 2,556 |
| Investment in leases | | 1,091 | (264) | 827 |
| Investments and other assets | 2,375 | 569 | (892) | 2,052 |
| Total assets | <u>\$8,568</u> | <u>\$1,935</u> | <u>\$(950)</u> | <u>\$9,553</u> |
| <u>Liabilities and Shareholders' Equity</u> | | | | |
| Current liabilities | | | | |
| Notes payable | \$ 53 | \$ 234 | \$ | \$ 287 |
| Accounts payable | 1,004 | | | 1,004 |
| Discontinued operations | 68 | | | 68 |
| Other current liabilities | 1,487 | 37 | (59) | 1,465 |
| Total current liabilities | 2,612 | 271 | (59) | 2,824 |
| Long-term debt | 2,462 | 753 | | 3,215 |
| Deferred employee benefits and other noncurrent liabilities | 1,906 | 639 | (620) | 1,925 |
| Minority interest | 106 | 1 | | 107 |
| Shareholders' equity | 1,482 | 271 | (271) | 1,482 |
| Total liabilities and shareholders' equity | <u>\$8,568</u> | <u>\$1,935</u> | <u>\$(950)</u> | <u>\$9,553</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt (Unaudited)
(in millions)

| | Three Months Ended December 31, 2003 | | | |
|---|--|---------------|--------------------------------|------------------------------|
| | Dana with DCC on Equity Basis | DCC | Elimination Entries | Dana Consolidated |
| Sources | | | | |
| Net income | \$ 68 | \$ 13 | \$(13) | \$ 68 |
| Depreciation | 88 | 12 | | 100 |
| Asset sales (non-restructuring) | 25 | 42 | (12) | 55 |
| Working capital decrease (increase) | 147 | 11 | (9) | 149 |
| | <u>328</u> | <u>78</u> | <u>(34)</u> | <u>372</u> |
| Uses | | | | |
| Capital spend | (86) | (3) | (1) | (90) |
| Dividends | (9) | (50) | 50 | (9) |
| Net changes in other accounts | 14 | (8) | (15) | (9) |
| | <u>(81)</u> | <u>(61)</u> | <u>34</u> | <u>(108)</u> |
| October 2001 restructuring cash impact | | | | |
| Cash payments | (44) | | | (44) |
| Proceeds from asset sales | 21 | | | 21 |
| | <u>(23)</u> | <u>—</u> | <u>—</u> | <u>(23)</u> |
| Cash change in net debt | <u>\$ 224</u> | <u>\$ 17</u> | <u>\$ —</u> | <u>\$ 241</u> |
| Analysis of components of increase (decrease) in net debt: | | | | |
| Net change in short-term debt | \$ (99) | \$ (5) | \$ — | \$(104) |
| Net payments on long-term debt | (8) | (31) | | (39) |
| Change in cash — continuing operations | (115) | | | (115) |
| Change in cash — discontinued operations | (2) | 19 | | 17 |
| Cash change in net debt | (224) | (17) | — | (241) |
| Non-cash changes in net debt | 8 | (1) | | 7 |
| Total change in net debt | <u>\$(216)</u> | <u>\$(18)</u> | <u>\$ —</u> | <u>\$(234)</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt (Unaudited)
(in millions)

| | Year Ended December 31, 2003 | | | |
|---|--|-----------------|--------------------------------|------------------------------|
| | Dana with DCC on Equity Basis | DCC | Elimination Entries | Dana Consolidated |
| Sources | | | | |
| Net income | \$ 222 | \$ 61 | \$(61) | \$ 222 |
| Depreciation | 337 | 57 | | 394 |
| Divestitures and non-restructuring asset sales | 177 | 209 | (17) | 369 |
| Working capital decrease (increase) | (72) | 3 | (7) | (76) |
| | <u>664</u> | <u>330</u> | <u>(85)</u> | <u>909</u> |
| Uses | | | | |
| Capital spend | (295) | (12) | 2 | (305) |
| Dividends | (14) | (50) | 50 | (14) |
| Net changes in other accounts | (5) | (19) | 33 | 9 |
| | <u>(314)</u> | <u>(81)</u> | <u>85</u> | <u>(310)</u> |
| October 2001 restructuring cash impact | | | | |
| Cash payments | (136) | | | (136) |
| Proceeds from asset sales | 58 | | | 58 |
| | <u>(78)</u> | <u>—</u> | <u>—</u> | <u>(78)</u> |
| Cash change in net debt | <u>\$ 272</u> | <u>\$ 249</u> | <u>\$ —</u> | <u>\$ 521</u> |
| Analysis of components of increase (decrease) in net debt: | | | | |
| Net change in short-term debt | \$ (12) | \$(101) | \$ | \$(113) |
| Repurchases of long-term debt | (140) | | | (140) |
| Proceeds from swap settlement | 18 | | | 18 |
| Net payments on long-term debt | (23) | (101) | | (124) |
| Change in cash — continuing operations | (113) | (47) | | (160) |
| Change in cash — discontinued operations | (2) | | | (2) |
| Cash change in net debt | <u>(272)</u> | <u>(249)</u> | <u>—</u> | <u>(521)</u> |
| Non-cash changes in net debt | <u>(9)</u> | <u>(34)</u> | <u>—</u> | <u>(43)</u> |
| Total change in net debt | <u>\$ (281)</u> | <u>\$ (283)</u> | <u>\$ —</u> | <u>\$ (564)</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt (Unaudited)
(in millions)

| | Three Months Ended December 31, 2002 | | | |
|---|--|----------------|--------------------------------|------------------------------|
| | Dana with DCC on Equity Basis | DCC | Elimination Entries | Dana Consolidated |
| Sources | | | | |
| Net loss | \$ (9) | \$ (9) | \$ 9 | \$ (9) |
| Depreciation | 96 | 22 | | 118 |
| Divestitures and non-restructuring asset sales | 345 | 131 | | 476 |
| Working capital decrease (increase) | 294 | (1) | 1 | 294 |
| | <u>726</u> | <u>143</u> | <u>10</u> | <u>879</u> |
| Uses | | | | |
| Capital spend | (60) | (5) | (60) | (125) |
| Dividends | (1) | | | (1) |
| Acquisitions | — | | | — |
| Net changes in other accounts | (245) | 25 | 50 | (170) |
| | <u>(306)</u> | <u>20</u> | <u>(10)</u> | <u>(296)</u> |
| October 2001 restructuring cash impact | | | | |
| After-tax charges | 44 | | | 44 |
| Cash payments | (92) | | | (92) |
| Proceeds from asset sales | 77 | | | 77 |
| | <u>29</u> | <u>—</u> | <u>—</u> | <u>29</u> |
| Cash change in net debt | <u>\$ 449</u> | <u>\$ 163</u> | <u>\$ —</u> | <u>\$ 612</u> |
| Analysis of components of increase (decrease) in net debt: | | | | |
| Net change in short-term debt | \$(249) | \$ (37) | \$ | \$(286) |
| Payments on long-term debt | (20) | (180) | | (200) |
| Change in cash | (180) | 54 | | (126) |
| Cash change in net debt | (449) | (163) | — | (612) |
| Non-cash changes in net debt | 26 | (13) | | 13 |
| Total change in net debt | <u>\$(423)</u> | <u>\$(176)</u> | <u>\$ —</u> | <u>\$(599)</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt (Unaudited)
(in millions)

| | Year Ended December 31, 2002 | | | |
|---|--|-----------------|--------------------------------|------------------------------|
| | Dana with DCC on Equity Basis | DCC | Elimination Entries | Dana Consolidated |
| Sources | | | | |
| Net income (loss) | \$ (182) | \$ 47 | \$ (47) | \$ (182) |
| Change in accounting for goodwill | 220 | — | — | 220 |
| Net income before goodwill change | 38 | 47 | (47) | 38 |
| Depreciation | 387 | 91 | — | 478 |
| Divestitures and non-restructuring asset sales | 398 | 357 | — | 755 |
| Working capital decrease (increase) | 279 | (15) | 8 | 272 |
| | <u>1,102</u> | <u>480</u> | <u>(39)</u> | <u>1,543</u> |
| Uses | | | | |
| Capital spend | (246) | (60) | (69) | (375) |
| Dividends | (6) | — | — | (6) |
| Acquisitions | (31) | — | — | (31) |
| Net changes in other accounts | (190) | (72) | 108 | (154) |
| | <u>(473)</u> | <u>(132)</u> | <u>39</u> | <u>(566)</u> |
| October 2001 restructuring cash impact | | | | |
| After-tax charges | 163 | — | — | 163 |
| Cash payments | (200) | — | — | (200) |
| Proceeds from asset sales | 100 | — | — | 100 |
| | <u>63</u> | <u>—</u> | <u>—</u> | <u>63</u> |
| Cash change in net debt | <u>\$ 692</u> | <u>\$ 348</u> | <u>\$ —</u> | <u>\$ 1,040</u> |
| Analysis of components of increase (decrease) in net debt: | | | | |
| Net change in short-term debt | \$ (456) | \$(100) | \$ — | \$ (556) |
| Proceeds from long-term debt | 250 | 35 | — | 285 |
| Proceeds from swap termination | 72 | — | — | 72 |
| Payments on long-term debt | (187) | (280) | — | (467) |
| Change in cash | (371) | (3) | — | (374) |
| Cash change in net debt | (692) | (348) | — | (1,040) |
| Non-cash changes in net debt | 66 | (24) | — | 42 |
| Total change in net debt | <u>\$ (626)</u> | <u>\$ (372)</u> | <u>\$ —</u> | <u>\$ (998)</u> |

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.

[LOGO]

Investor Relations
Dana Corporation
Quarterly Financial Information (Unaudited)
For Twelve Months Ended December 31, 2003
(in millions)

| | External Sales | | Inter-Segment Sales | | EBIT | | Operating PAT | | Net Profit | | Net Assets | |
|--|----------------|----------------|---------------------|--------------|---------------|---------------|---------------|----------------|--------------|----------------|----------------|----------------|
| | 03 | 02 | 03 | 02 | 03 | 02 | 03 | 02 | 03 | 02 | 03 | 02 |
| Automotive Systems Group | \$3,777 | \$3,526 | \$126 | \$103 | \$ 204 | \$ 203 | \$ 155 | \$ 157 | \$ 71 | \$ 74 | \$1,931 | \$1,743 |
| Engine and Fluid Management Group | 2,150 | 2,119 | 35 | 38 | 134 | 112 | 87 | 73 | 40 | 25 | 1,096 | 1,051 |
| Heavy Vehicle Technologies and Systems Group | 1,924 | 1,797 | 75 | 92 | 130 | 102 | 79 | 63 | 27 | 14 | 610 | 629 |
| Dana Commercial Credit | | | | | | | 21 | 26 | 21 | 26 | 291 | 271 |
| Other | 67 | 59 | 6 | 638 | (220) | (198) | (211) | (236) | (28) | (56) | 13 | (43) |
| Continuing Operations | 7,918 | 7,501 | 242 | 871 | 248 | 219 | 131 | 83 | 131 | 83 | 3,941 | 3,651 |
| Discontinued Operations | | | | | 90 | 157 | 52 | 88 | 52 | 88 | | |
| Unusual Items Excluded from Performance | | | | | | | | | | | | |
| Measurement | | | | | (1) | (246) | 39 | (133) | 39 | (133) | | |
| Effect of change in Accounting | | | | | | | | (220) | | (220) | | |
| Consolidated | <u>\$7,918</u> | <u>\$7,501</u> | <u>\$242</u> | <u>\$871</u> | <u>\$ 337</u> | <u>\$ 130</u> | <u>\$ 222</u> | <u>\$(182)</u> | <u>\$222</u> | <u>\$(182)</u> | <u>\$3,941</u> | <u>\$3,651</u> |
| North America | \$5,473 | \$5,516 | \$ 88 | \$ 96 | \$ 245 | \$ 300 | \$ 155 | \$ 188 | \$ 35 | \$ 63 | \$2,187 | \$2,185 |
| Europe | 1,455 | 1,233 | 81 | 72 | 106 | 49 | 84 | 50 | 50 | 21 | 1,137 | 984 |
| South America | 441 | 361 | 165 | 156 | 70 | 52 | 43 | 32 | 33 | 24 | 284 | 255 |
| Asia Pacific | 549 | 391 | 3 | 2 | 47 | 19 | 30 | 13 | 15 | 1 | 159 | 149 |
| Dana Commercial Credit | | | | | | | 21 | 26 | 21 | 26 | 291 | 271 |
| Other | | | | | (220) | (201) | (202) | (226) | (23) | (52) | (117) | (193) |
| Continuing Operations | 7,918 | 7,501 | 337 | 326 | 248 | 219 | 131 | 83 | 131 | 83 | 3,941 | 3,651 |
| Discontinued Operations | | | | | 90 | 157 | 52 | 88 | 52 | 88 | | |
| Unusual Items Excluded from Performance | | | | | | | | | | | | |
| Measurement | | | | | (1) | (246) | 39 | (133) | 39 | (133) | | |
| Effect of change in Accounting | | | | | | | | (220) | | (220) | | |
| Consolidated | <u>\$7,918</u> | <u>\$7,501</u> | <u>\$337</u> | <u>\$326</u> | <u>\$ 337</u> | <u>\$ 130</u> | <u>\$ 222</u> | <u>\$(182)</u> | <u>\$222</u> | <u>\$(182)</u> | <u>\$3,941</u> | <u>\$3,651</u> |
| Information for Discontinued Operations | <u>2,153</u> | <u>2,782</u> | <u>14</u> | <u>47</u> | | | | | | | <u>913</u> | <u>961</u> |

The performance and net assets of Clevite are now included in EFMG.

See Notes 20 and 21 in Dana's 2002 Annual Report for further information (WWW.Dana.Com)

FOR MORE INFORMATION

(WWW.Dana.Com) — Dial-For-Dana U.S. or Canada 800-537-8823; OH 800-472-8810

E-Mail Michelle.Hards@Dana.com or Karen.Crawford@Dana.Com

Dana Investor Relations 419-535-4635

Investor Relations
Dana Corporation
Quarterly Financial Information (Unaudited)
Q4 — 2003
(in millions)

| | External Sales | | Inter-Segment Sales | | EBIT | | Operating PAT | | Net Profit | | Net Assets | |
|---|----------------|---------|---------------------|-------|-------|---------|---------------|--------|------------|--------|------------|---------|
| | 03 | 02 | 03 | 02 | 03 | 02 | 03 | 02 | 03 | 02 | 03 | 02 |
| Automotive Systems Group | \$1,004 | \$ 872 | \$31 | \$ 34 | \$ 49 | \$ 50 | \$ 39 | \$ 41 | \$17 | \$ 21 | \$1,931 | \$1,743 |
| Engine and Fluid Management Group | 527 | 487 | 9 | 9 | 43 | 24 | 27 | 15 | 16 | 4 | 1,096 | 1,051 |
| Heavy Vehicle Technologies and Systems Group | 499 | 419 | 17 | 18 | 36 | 16 | 22 | 10 | 9 | (1) | 610 | 629 |
| Dana Commercial Credit | | | | | | | 4 | 3 | 4 | 3 | 291 | 271 |
| Other | 20 | 12 | 2 | 141 | (56) | (47) | (44) | (50) | 2 | (8) | 13 | (43) |
| Continuing Operations | 2,050 | 1,790 | 59 | 202 | 72 | 43 | 48 | 19 | 48 | 19 | 3,941 | 3,651 |
| Discontinued Operations | | | | | 19 | 32 | 14 | 13 | 14 | 13 | | |
| Unusual Items Excluded from Performance Measurement | | | | | (5) | (88) | 6 | (41) | 6 | (41) | | |
| Effect of change in Accounting | | | | | | | | | | | | |
| Consolidated | \$2,050 | \$1,790 | \$59 | \$202 | \$ 86 | \$ (13) | \$ 68 | \$ (9) | \$68 | \$ (9) | \$3,941 | \$3,651 |
| North America | \$1,388 | \$1,279 | \$23 | \$ 24 | \$ 80 | \$ 67 | \$ 47 | \$ 43 | \$14 | \$ 16 | \$2,187 | \$2,185 |
| Europe | 381 | 313 | 21 | 17 | 27 | 5 | 23 | 11 | 14 | 4 | 1,137 | 984 |
| South America | 126 | 82 | 43 | 30 | 23 | 5 | 14 | 3 | 11 | 1 | 284 | 255 |
| Asia Pacific | 155 | 116 | 1 | 1 | 10 | 7 | 7 | 5 | 2 | 2 | 159 | 149 |
| Dana Commercial Credit | | | | | | | 4 | 3 | 4 | 3 | 291 | 271 |
| Other | | | | | (68) | (41) | (47) | (46) | 3 | (7) | (117) | (193) |
| Continuing Operations | 2,050 | 1,790 | 88 | 72 | 72 | 43 | 48 | 19 | 48 | 19 | 3,941 | 3,651 |
| Discontinued Operations | | | | | 19 | 32 | 14 | 13 | 14 | 13 | | |
| Unusual Items Excluded from Performance Measurement | | | | | (5) | (88) | 6 | (41) | 6 | (41) | | |
| Effect of change in Accounting | | | | | | | | | | | | |
| Consolidated | \$2,050 | \$1,790 | \$88 | \$ 72 | \$ 86 | \$ (13) | \$ 68 | \$ (9) | \$68 | \$ (9) | \$3,941 | \$3,651 |
| Information for Discontinued Operations | 473 | 617 | 3 | 5 | | | | | | | 913 | 961 |

The performance and net assets of Clevite are now included in EFMG.

See Notes 20 and 21 in Dana's 2002 Annual Report for further information (WWW.Dana.Com)

FOR MORE INFORMATION

(WWW.Dana.Com) - Dial-For-Dana U.S. or Canada 800-537-8823; OH 800-472-8810

E-Mail Michelle.Hards@Dana.com or Karen.Crawford@Dana.Com

Dana Investor Relations 419-535-4635

Dana Corporation

Reconciliation of Net Debt with DCC on an Equity Basis To Net Debt Presented on a Fully Consolidated Basis (Unaudited)

| (Dollar amounts in Millions) | December 31 2000 | March 31 2001 | June 30 2001 | September 30 2001 | December 31 2001 |
|---|---------------------|------------------|-----------------|----------------------|---------------------|
| Dana, with DCC on an Equity Basis: | | | | | |
| Short-term debt | \$1,307 | \$1,535 | \$1,542 | \$ 750 | \$ 617 |
| Long-term debt | 1,574 | 1,369 | 1,428 | 2,201 | 2,155 |
| Borrowings, with DCC on an equity basis | 2,881 | 2,904 | 2,970 | 2,951 | 2,772 |
| DCC borrowings | 1,714 | 1,629 | 1,519 | 1,499 | 1,356 |
| Consolidated borrowings | 4,595 | 4,533 | 4,489 | 4,450 | 4,128 |
| Cash, with DCC on an equity basis | 149 | 136 | 146 | 186 | 182 |
| DCC cash | 29 | 14 | 7 | 41 | 17 |
| Consolidated cash | 178 | 150 | 153 | 227 | 199 |
| Net debt, DCC on an equity basis | 2,732 | 2,768 | 2,824 | 2,765 | 2,590 |
| Net debt fully consolidated basis | 4,417 | 4,383 | 4,336 | 4,223 | 3,929 |
| Equity | 2,628 | 2,439 | 2,380 | 2,367 | 1,958 |
| Net debt / Capital — DCC on an equity basis | 51.0% | 53.2% | 54.3% | 53.9% | 56.9% |
| Net debt / Capital — Fully consolidated basis | 62.7% | 64.2% | 64.6% | 64.1% | 66.7% |

| | March 31 2002 | June 30 2002 | September 30 2002 | December 31 2002 |
|---|------------------|-----------------|----------------------|---------------------|
| Dana, with DCC on an Equity Basis: | | | | |
| Short-term debt | \$ 454 | \$ 370 | \$ 276 | \$ 53 |
| Long-term debt | 2,364 | 2,432 | 2,484 | 2,462 |
| Borrowings, with DCC on an equity basis | 2,818 | 2,802 | 2,760 | 2,515 |
| DCC borrowings | 1,323 | 1,233 | 1,216 | 987 |
| Consolidated borrowings | 4,141 | 4,035 | 3,976 | 3,502 |
| Cash, with DCC on an equity basis | 255 | 301 | 373 | 551 |
| DCC cash | 20 | 17 | 74 | 20 |
| Consolidated cash | 275 | 318 | 447 | 571 |
| Net debt, DCC on an equity basis | 2,563 | 2,501 | 2,387 | 1,964 |
| Net debt fully consolidated basis | 3,866 | 3,717 | 3,529 | 2,931 |
| Equity | 1,625 | 1,749 | 1,673 | 1,482 |
| Net debt / Capital — DCC on an equity basis | 61.2% | 58.8% | 58.8% | 57.0% |
| Net debt / Capital — Fully consolidated basis | 70.4% | 68.0% | 67.8% | 66.4% |

Dana CorporationReconciliation of Net Debt with DCC on an Equity Basis
To Net Debt Presented on a Fully Consolidated Basis (Unaudited)

| (Dollar amounts in Millions) | March 31 2003 | June 30 2003 | September 30 2003 | December 31 2003 |
|---|------------------|-----------------|----------------------|---------------------|
| Dana, with DCC on an Equity Basis: | | | | |
| Short-term debt | \$ 437 | \$ 283 | \$ 359 | \$ 260 |
| Long-term debt | 2,207 | 2,263 | 2,090 | 2,087 |
| Borrowings, with DCC on an equity basis | 2,644 | 2,546 | 2,449 | 2,347 |
| DCC borrowings | 911 | 841 | 788 | 751 |
| Consolidated borrowings | 3,555 | 3,387 | 3,237 | 3,098 |
| Cash, with DCC on an equity basis | 506 | 546 | 550 | 664 |
| DCC cash | 42 | 85 | 86 | 67 |
| Consolidated cash | 548 | 631 | 636 | 731 |
| Net debt, DCC on an equity basis | <u>2,138</u> | <u>2,000</u> | <u>1,899</u> | <u>1,683</u> |
| Net debt fully consolidated basis | <u>3,007</u> | <u>2,756</u> | <u>2,601</u> | <u>2,367</u> |
| Equity | <u>1,586</u> | <u>1,785</u> | <u>1,850</u> | <u>2,050</u> |
| Net debt / Capital — DCC on an equity basis | <u>57.4%</u> | <u>52.8%</u> | <u>50.7%</u> | <u>45.1%</u> |
| Net debt / Capital — Fully consolidated basis | <u>65.5%</u> | <u>60.7%</u> | <u>58.4%</u> | <u>53.6%</u> |