



**2021 First-quarter
Earnings Conference Call**

April 28, 2021

People Finding A Better Way[®]

**Empowering
People**

employee development
health and wellness workplace safety
inclusion and diversity

**Innovating
Products**

product safety and quality
advanced technology

**Protecting the
Planet**

environment
supply chain community



Safe Harbor Statement

Certain statements and projections contained in this presentation 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. 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. 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 presentation speak only as of this date. Dana does not undertake any obligation to revise or update publicly any forward-looking statement for any reason.

Agenda



- **Introduction**

Craig Barber

*Senior Director, Investor Relations
and Strategic Planning*

- **Business Review**

James Kamsickas

*Chairman and
Chief Executive Officer*

- **Financial Review**

Jonathan Collins

*Executive Vice President
and Chief Financial Officer*



Business Highlights: First-Quarter 2021

FINANCIAL RESULTS

sales
\$2.3 billion

↑ \$337M from prior year

adjusted EBITDA
\$234 million

↑ \$29M from prior year

adjusted free cash flow
\$(26) million

↑ \$88M from prior year

diluted adjusted EPS
\$0.66

↑ \$0.19 from prior year

KEY HIGHLIGHTS

- 1 Capitalized on strong demand
- 2 Managed supply constraints
- 3 Expanded EV footprint
- 4 Progressed ESG objectives

POWERING INTO
e-DRIVE



1 Capitalized on Strong Market Demand

Light-Duty Market

54% of Sales*

Market Volume

Light Vehicle

North America

Key Regions

Strong Q1 demand driven by truck mix

Global Outlook

Cautious on outlook due to semiconductor shortage

Key Driver

Heavy-Duty Markets

46% of Sales*

Market Volume

Commercial Vehicle

North America
South America

Key Regions

Class 8 rebound continues
Outlook: ~300k production

Global Outlook

Medium-duty strength
Brazil demand subdued

Key Driver

46% of Sales*

Market Volume

Off-Highway

Europe
Asia

Key Regions

Improving equipment demand

Global Outlook

Ag markets remain strong
Construction & mining markets improving

Key Driver

Demand fundamentals are strong, only constrained by supply chain

* 2020 Dana sales including 100% of DDAC Joint Venture

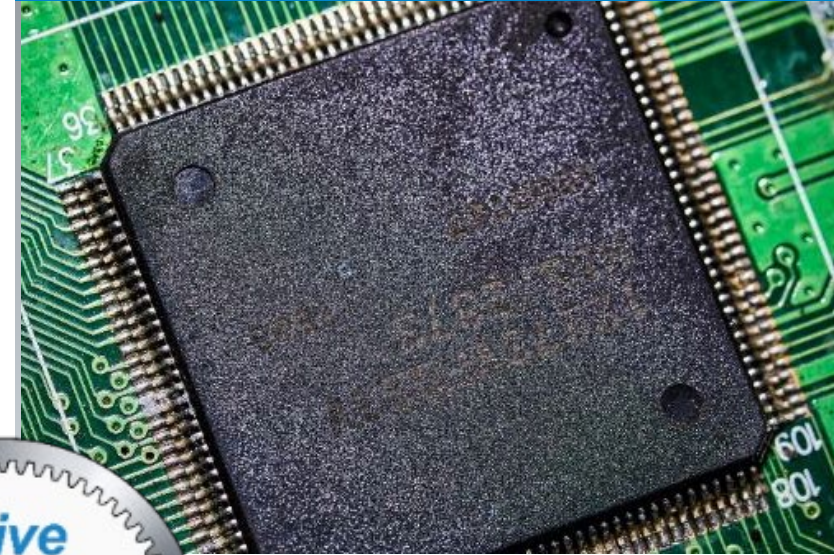
② Managed Supply Chain to Serve Customers

Steel & Raw Materials Prices



- Rapid increase in material cost
- Recovering majority of increases from customers

Semiconductor Shortage



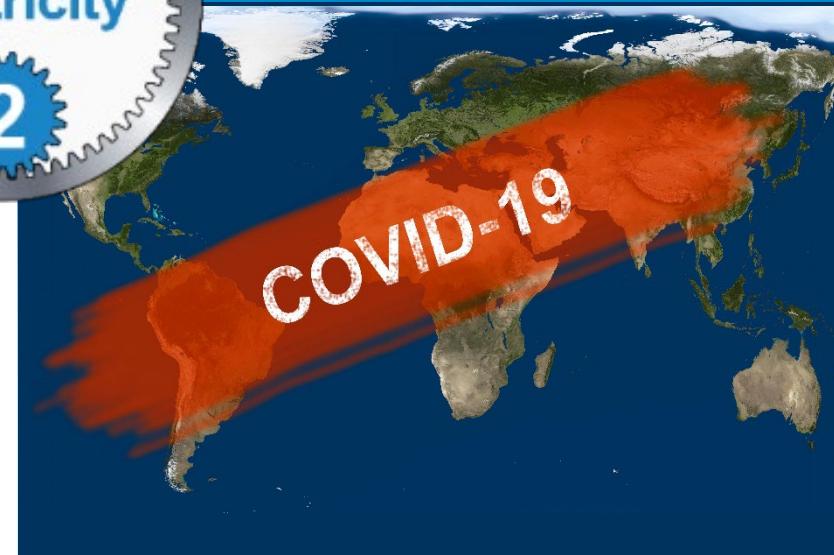
- Minimal impact to light vehicle segments in Q1
- Risk to remainder of the year as shortage continues

Logistics Constraints



- Shortage of sea containers
- Extended transportation times and bottlenecks

Labor Shortages



- Regional hotspots pressuring supply chain
- India and Brazil
- Mitigation efforts underway



Successfully protecting our customers and enabling demand fulfillment



③ Expanded Electrification Footprint

China - Weifang Electrodynamics Manufacturing



India - Chakan Electrodynamics Manufacturing



U.K. - Chudleigh Electrodynamics Manufacturing



Commissioned over 250,000 sq ft of manufacturing capability to meet demand



4 Progressed ESG objectives



People

SafetyFirst
All Day Every Day

Inclusion & Diversity

Products

Only supplier capable of delivering all elements of a **complete, fully integrated** electrified system across **all mobility markets**

Planet

500

global efficiency projects reducing GHG emissions, waste, and water consumption

Governance

- “One Dana” Culture
- Commitment to highest Standards of Business Conduct
- Training and Education

A Better Way

Dana’s Sustainability and Social Responsibility Report 2020, published on April 22, encapsulates our vision for a better future:

- Commitment to reduce GHG emissions **50%**
- **90%** of US electricity demand to be offset
- **1 billion** customer miles driven with Dana TM4™ electric motors

Working toward a better tomorrow for our customers and communities



Financial Review

People Finding A Better Way[®]

DAN

LISTED

NYSE

55.01

11.08

+8.76

65.32

12.11

2021 Q1 Financial Results



- Sales growth primarily due to demand recovery in light and heavy vehicle markets; semiconductor shortage impact was minimal
- Profit conversion on higher sales held back by commodity cost increases and supply chain constraints
- Higher EBIT due to non-recurrence of \$51M goodwill impairment in Q1 '20
- Higher income taxes due to non-recurrence of \$37M foreign tax credits recorded in Q1 '20
- Adj. FCF growth attributed to higher profits, lower working capital requirements, and lower capital expenditures

Changes from Prior Year			
	Q1 '21	Q1 '20	Change
Sales	\$ 2,263	\$ 1,926	\$ 337
Adjusted EBITDA	234	205	29
Margin	10.3%	10.6%	(30) bps
EBIT	108	47	61
Interest Expense, Net	32	27	5
Income Tax Expense (Benefit)	22	(16)	38
Net Income (attributable to Dana)	71	58	13
Adjusted Net Income (attributable to Dana)	97	68	29
Diluted Adjusted EPS	\$ 0.66	\$ 0.47	\$ 0.19
Operating Cash Flow	27	(51)	78
Capital Spending	53	63	(10)
Adjusted Free Cash Flow	(26)	(114)	88

(\$ in millions except EPS)

See appendix for comments regarding the presentation of non-GAAP measures

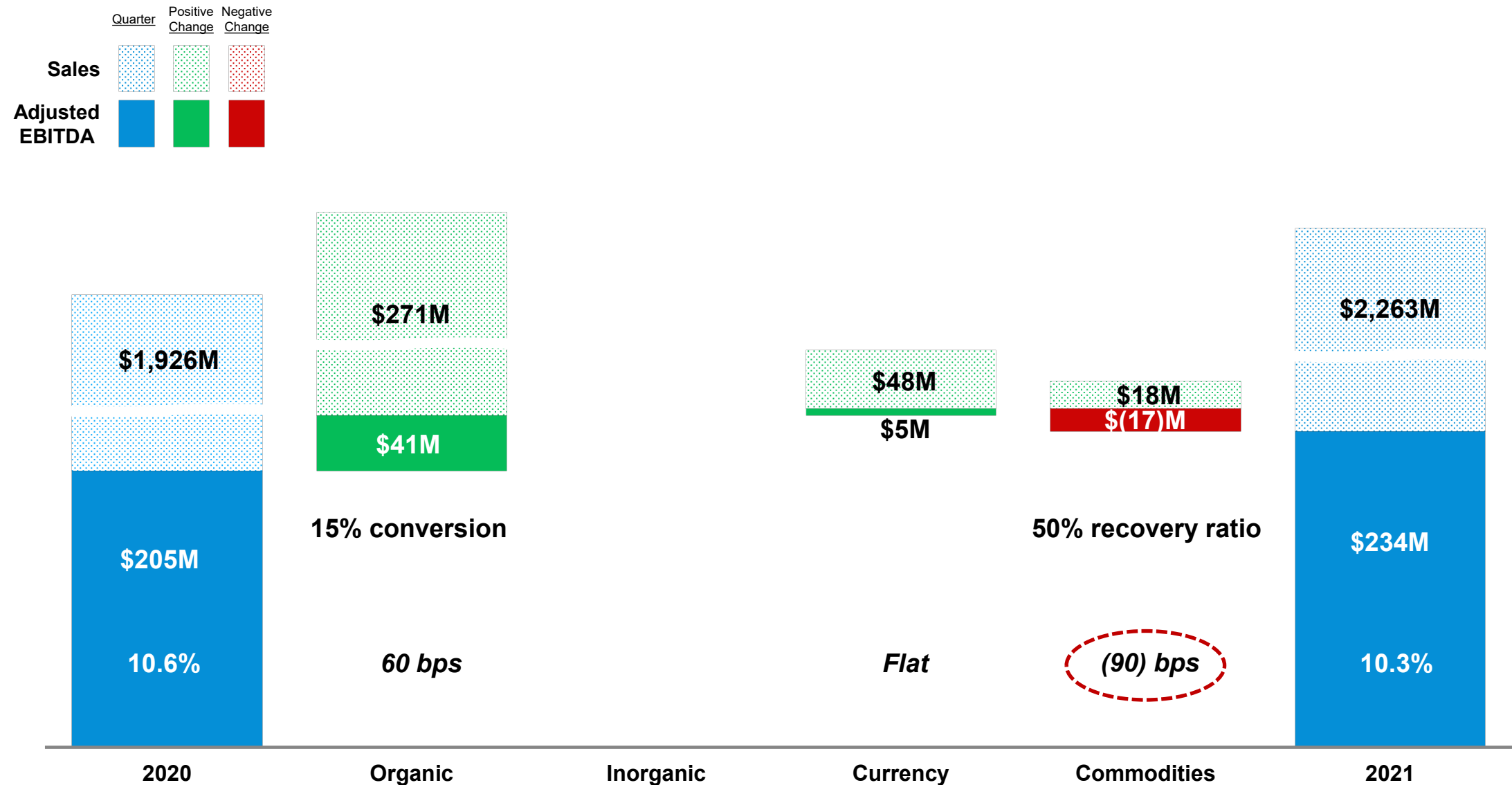
Continued market recovery driving sales, profit, and cash flow growth





2021 Q1 Sales and Profit Changes

- Continued strong demand for full-frame trucks with negligible semiconductor shortage downtime and off-highway market recovery driving sales growth
- Organic incrementals constrained by supply chain, leading to logistics and manufacturing inefficiencies
- Rapid spike in commodity costs, primarily steel, drove 90 bps of margin compression as sales price recoveries typically lag cost increases



See appendix for comments regarding the presentation of non-GAAP measures

Demand improved but margins constrained by commodities and supply chain challenges





2021 Q1 Adjusted Free Cash Flow

- Normal seasonal working capital use modestly lower than prior year, augmenting profit growth to deliver improved adj. FCF

Changes from Prior Year

(\$ in millions)

	<u>Q1 '21</u>	<u>Q1 '20</u>	<u>Change</u>
Adjusted EBITDA	\$ 234	\$ 205	\$ 29
One-Time Costs¹	(8)	(11)	3
Interest, net	(5)	(6)	1
Taxes	(13)	(17)	4
Working Capital / Other²	(181)	(222)	41
Capital Spending	(53)	(63)	10
Adj. Free Cash Flow	\$ (26)	\$ (114)	\$ 88

¹ Includes costs associated with business acquisitions and divestitures and restructuring. ² Changes in working capital relating to interest, taxes, restructuring, and transaction costs are included in those respective categories. See appendix for comments regarding the presentation of non-GAAP measures.

Higher profit and improved working capital drove significant FCF growth





2021 FY Financial Guidance

Guidance Ranges

- Improvement in top-line outlook driven primarily by higher H1 demand; remain cautious on H2 outlook given supply chain and global pandemic containment uncertainty
- Pending acquisition of Modine's automotive liquid cooling business, which is expected to close later this year, is not yet reflected in guidance

		Increase from prior guidance
Sales	~\$8,750M ±\$250M -----●-----	+\$450M
Adjusted EBITDA	~\$960M ±\$40M -----●-----	+\$50M
Implied Profit Margin	~11%	Flat
Implied Adj. FCF Margin	~3.0 – 3.5%	+25 bps
Diluted Adjusted EPS	~\$2.35 ±\$0.25 -----●-----	+\$0.20

|---| Guidance range ● Mid-point

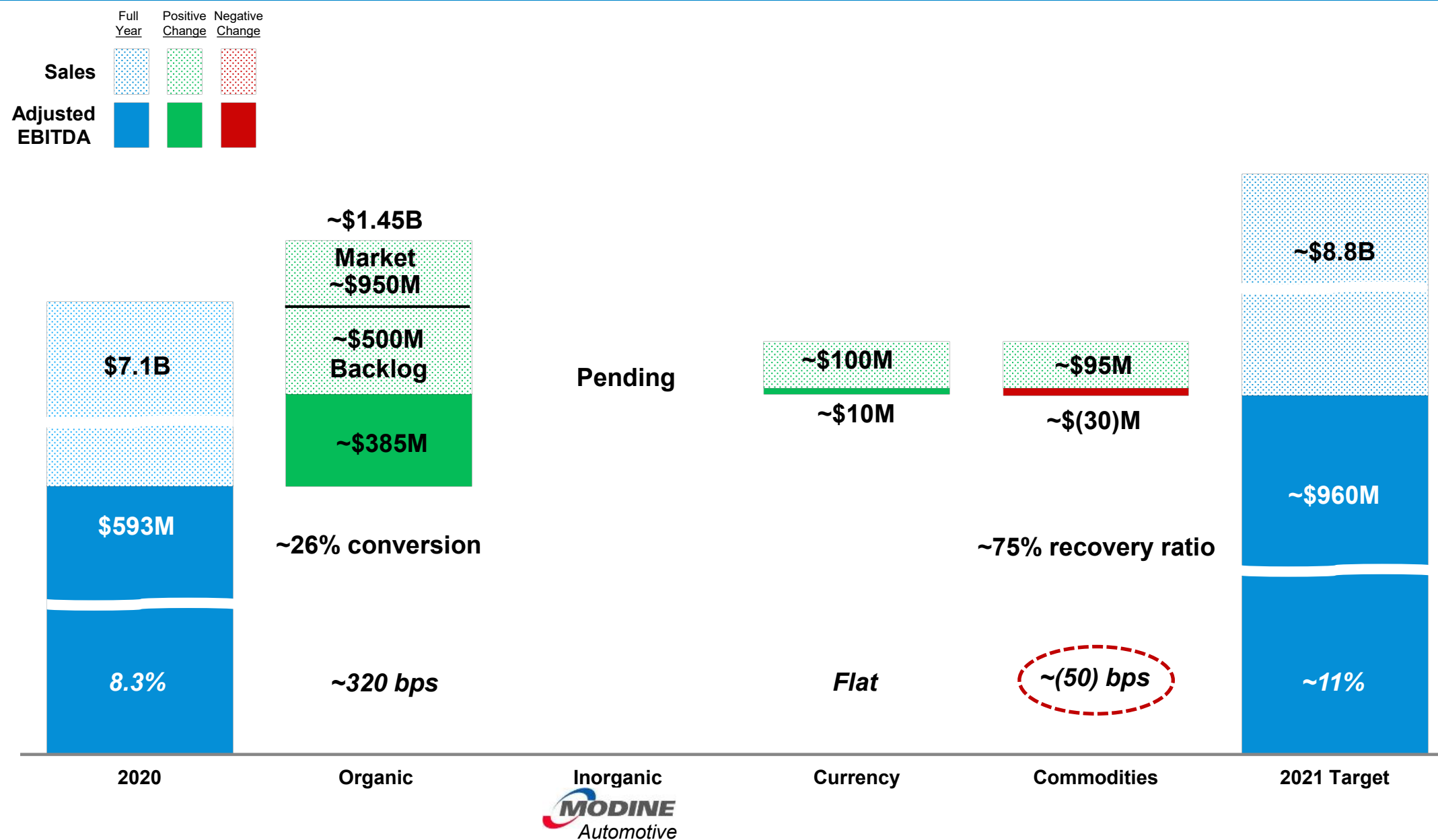
See appendix for comments regarding the presentation of non-GAAP measures

Higher market demand leading to improved sales, profit, and cash flow



2021 FY Sales and Profit Changes

- Sales growth driven primarily by market recovery and conversion of sales backlog
- Acquisition of Modine's automotive liquid cooling business not reflected in guidance
- Currency expected to be modest tailwind to sales and profit as USD has weakened against basket of currencies
- Commodity costs expected to be significant margin headwind despite higher recovery ratio as steel prices have spiked in last few months
- Margin 80 bps short of 2019 due to Commodities 40 bps; EV spend 20 bps; Brazil retro tax recovery 20 bps



See appendix for comments regarding the presentation of non-GAAP measures

Market recovery and backlog driving sales and profit growth





2021 Adjusted Free Cash Flow

- Adj. FCF expected to increase compared with prior year as higher profit will be partially offset by higher working capital requirements and capital spending

Changes from Prior Year

(\$ in millions)

	<u>2021T</u>	<u>2020A</u>	<u>Change</u>
Adjusted EBITDA	\$ ~960	\$ 593	\$ ~365
One-time Costs¹	~(40)	(39)	–
Interest, net	~(115)	(120)	~5
Taxes	~(120)	(98)	~(20)
Working Capital / Other²	~(30)	50	~(80)
Capital Spending	~(375)	(326)	~(50)
Adj. Free Cash Flow	\$ ~280	\$ 60	\$ ~220
Margin	~3 - 3.5%	1%	+2% pts

¹ Includes costs associated with business acquisitions and divestitures and restructuring. ² Changes in working capital relating to interest, taxes, restructuring, and transaction costs are included in those respective categories. See appendix for comments regarding the presentation of non-GAAP measures.

Anticipate delivering more than \$200M of adj. FCF YoY growth; in-line with 2019



Managing External Factors

Steel & Raw Materials Prices



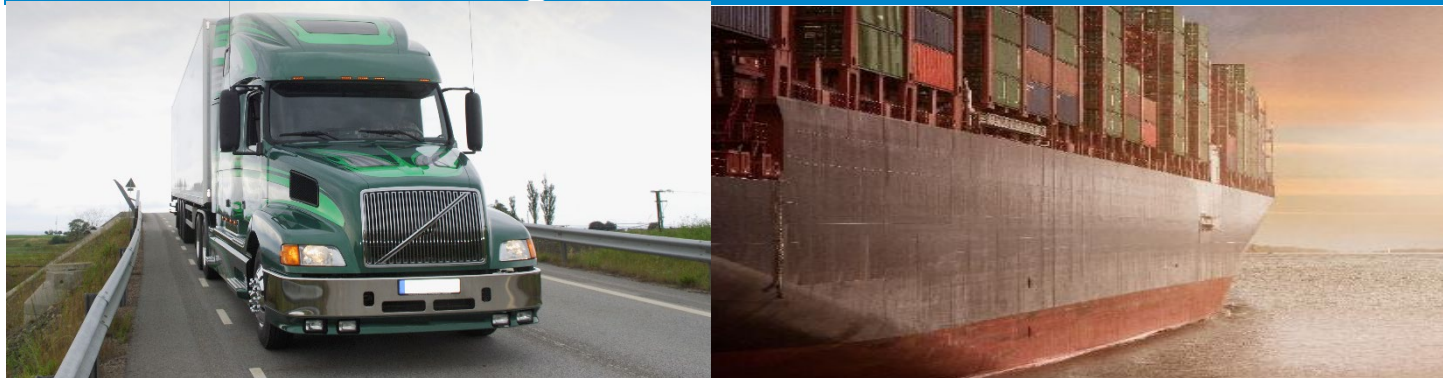
Recovery mechanisms will benefit rest-of-year

Semiconductor Shortage



Volume outlook remains cautious

Logistics Constraints



Actively managing supply chain to buffer impact

Labor Shortages



Managing regional pandemic responses

Encouraging demand fundamentals; managing supply chain constraints





People Finding A Better Way®



Global Scale &
Financial Strength



Technologies for
Tomorrow



Balanced End-
Market Presence



Complete Electric
Product Portfolio





Appendix



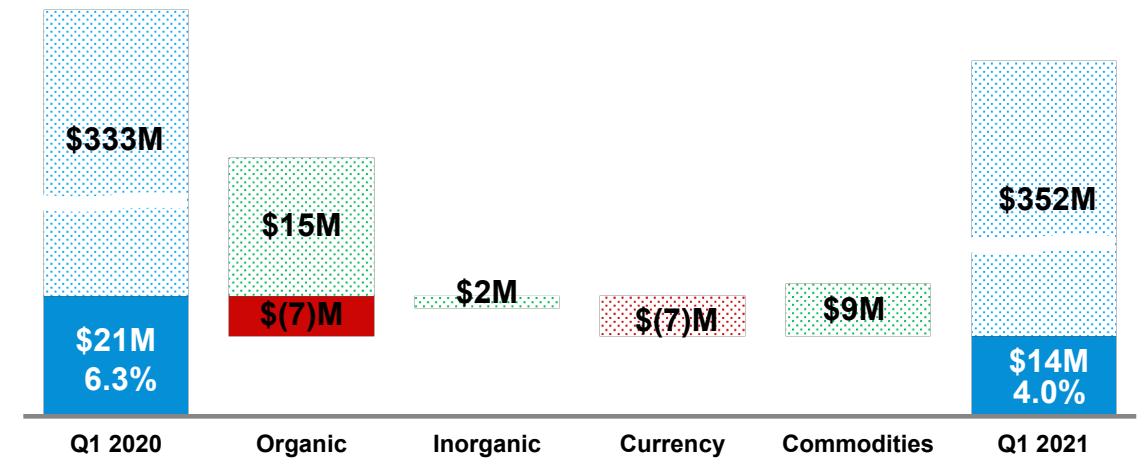
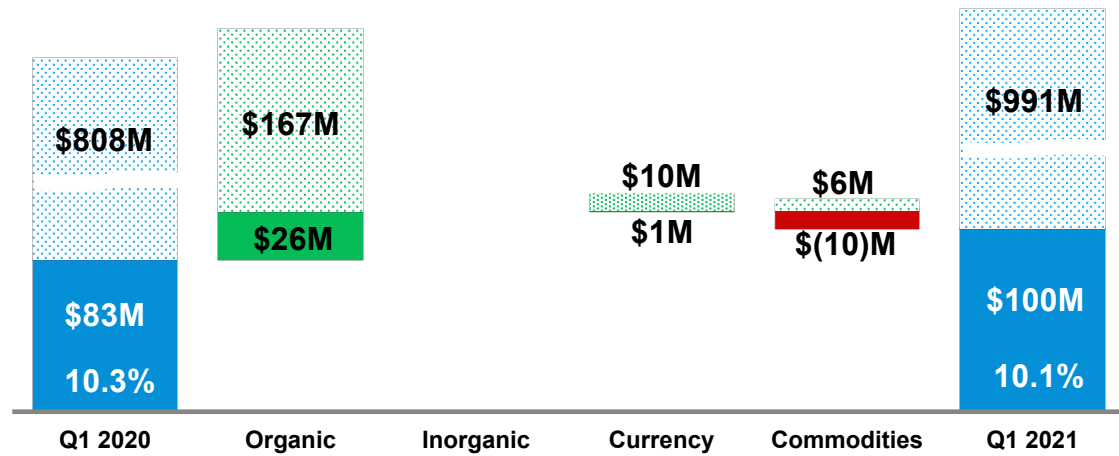
2021 Q1 Sales and Profit Change by Segment



Light Vehicle Drive Systems



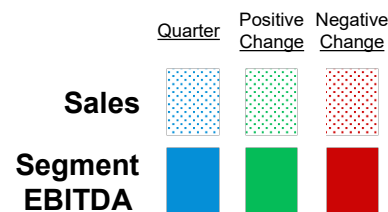
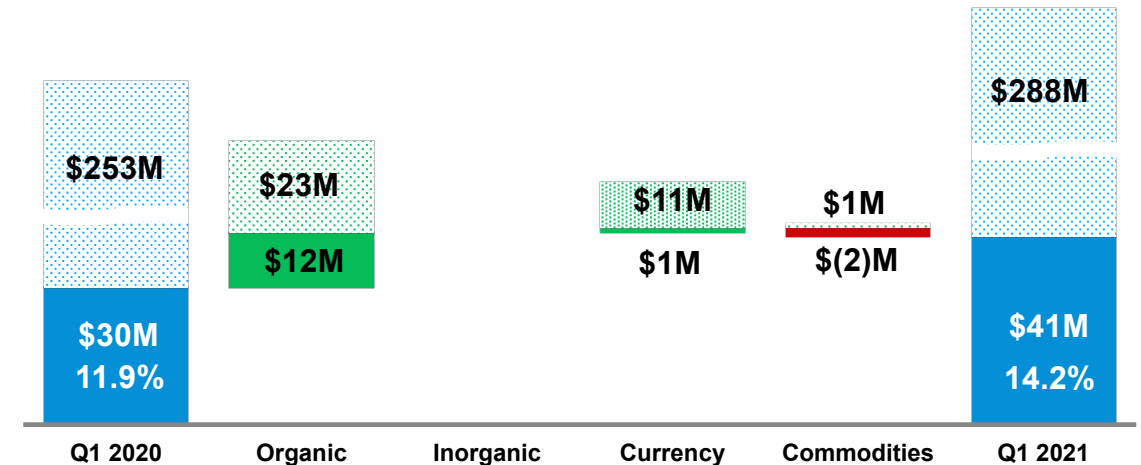
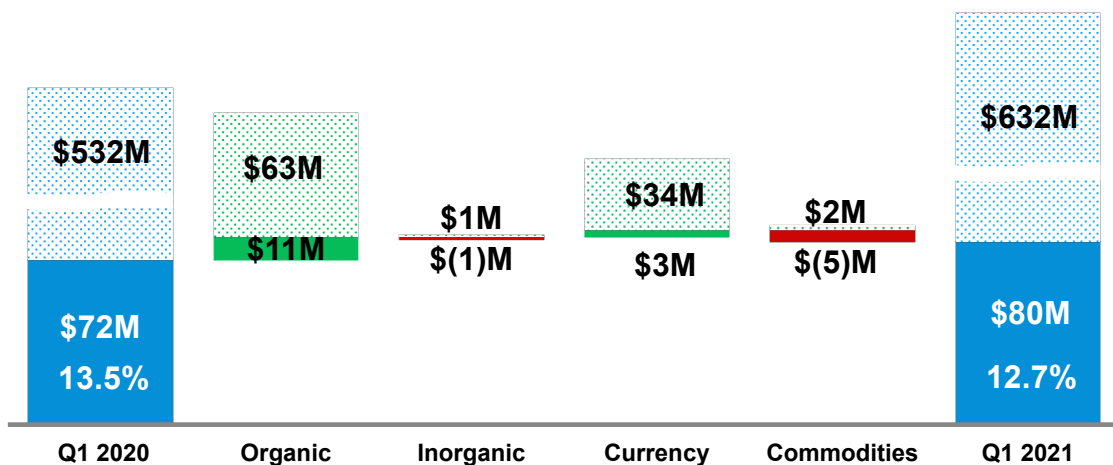
Commercial Vehicle Drive and Motion Systems



Off-Highway Drive and Motion Systems



Power Technologies



See appendix for comments regarding the presentation of non-GAAP measures

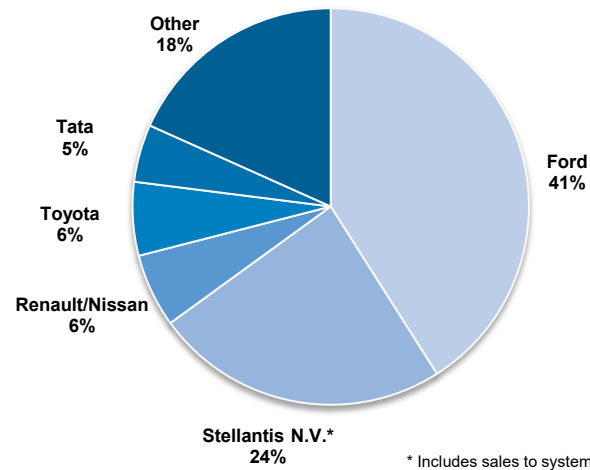
Segment Profiles



Customer Sales

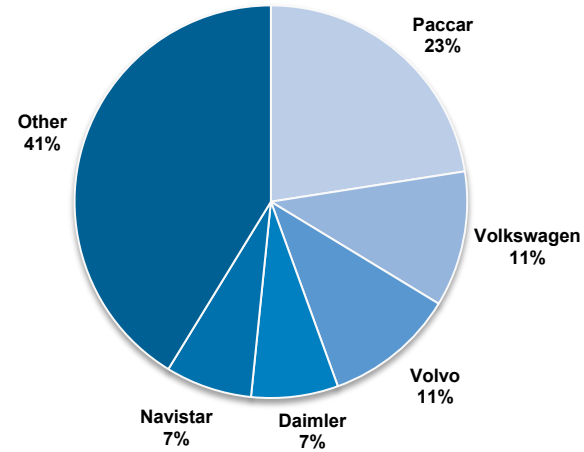
Regional Sales

Light Vehicle Drive Systems
Year to Date 3/31/2021

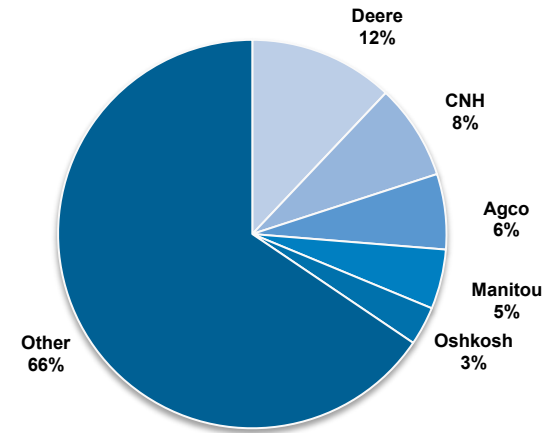


* Includes sales to system integrators for driveline products that support FCA vehicles

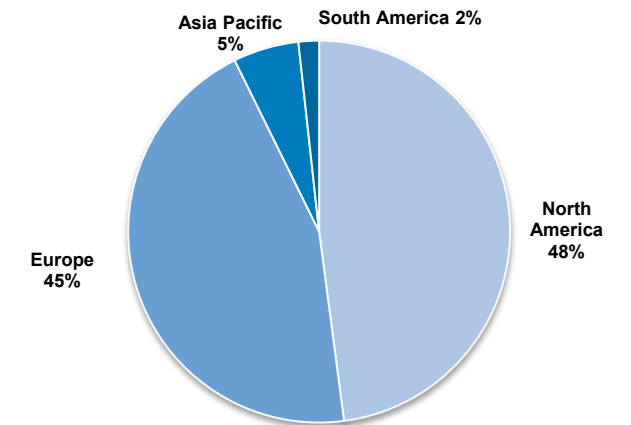
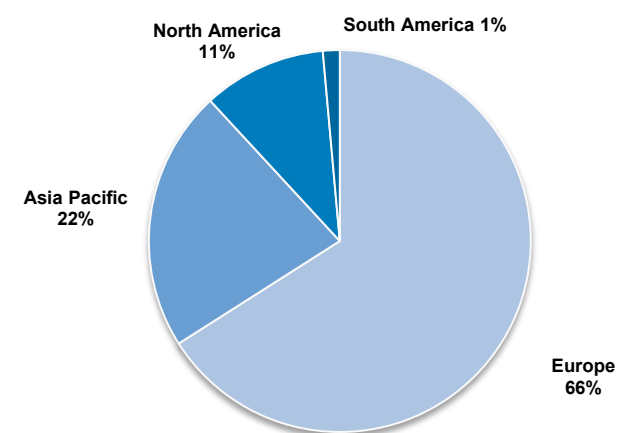
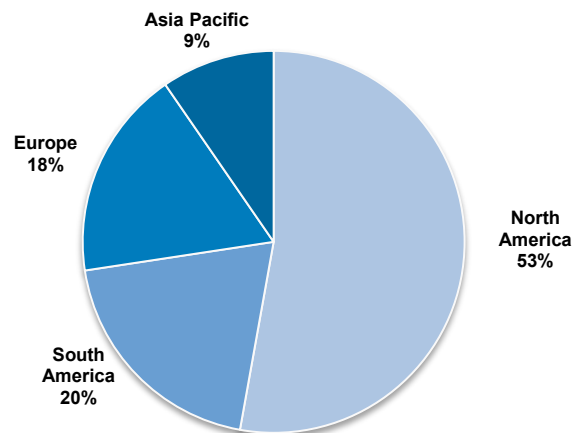
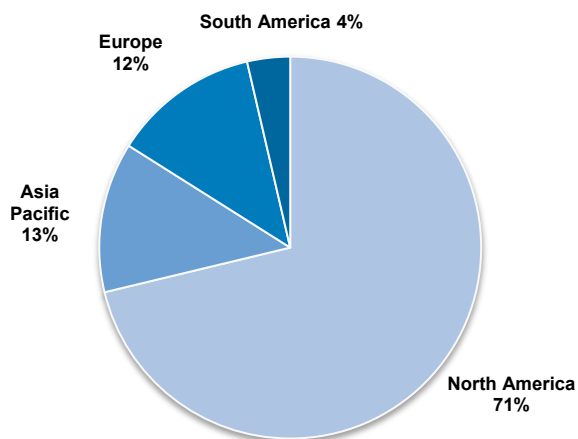
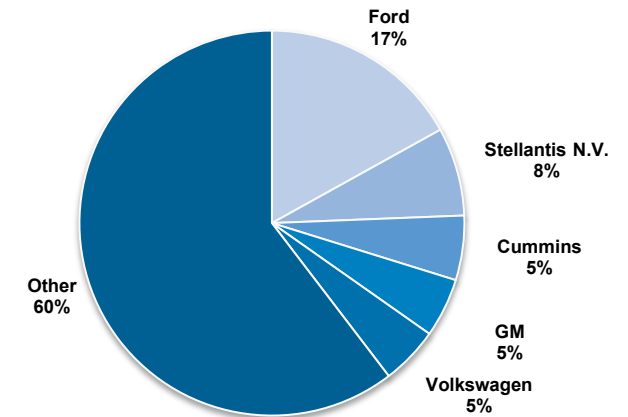
Commercial Vehicle Drive and Motion Systems
Year to Date 3/31/2021



Off-Highway Drive and Motion Systems
Year to Date 3/31/2021



Power Technologies
Year to Date 3/31/2021



Diluted Adjusted EPS



DANA INCORPORATED
Reconciliation of Net Income Attributable to the Parent Company to
Adjusted Net Income Attributable to the Parent Company and
Diluted Adjusted EPS (Unaudited)
For the Three Months Ended March 31, 2021 and 2020

(In millions, except per share amounts)

	Three Months Ended	
	March 31,	
	2021	2020
Net income attributable to parent company	\$ 71	\$ 58
Items impacting income before income taxes:		
Amortization	5	4
Restructuring charges, net	1	3
Strategic transaction expenses	3	6
Loss on investment in Hylion	17	
Loss on disposal group held for sale	5	
Impairment of goodwill		31
Items impacting income taxes:		
Net income tax expense on items above	(6)	(3)
Tax (benefit) attributable to various discrete tax matters	1	(31)
Adjusted net income attributable to the parent	\$ 97	\$ 68
Diluted shares - as reported	146.4	144.8
Adjusted diluted shares	146.4	144.8
Diluted adjusted EPS	\$ 0.66	\$ 0.47

Segment Data



DANA INCORPORATED

Segment Sales and Segment EBITDA (Unaudited) For the Three Months Ended March 31, 2021 and 2020

	Three Months Ended March 31,	
	2021	2020
Sales		
Light Vehicle	\$ 991	\$ 808
Commercial Vehicle	352	333
Off-Highway	632	532
Power Technologies	288	253
Total Sales	<u>\$ 2,263</u>	<u>\$ 1,926</u>
Segment EBITDA		
Light Vehicle	\$ 100	\$ 83
Commercial Vehicle	14	21
Off-Highway	80	72
Power Technologies	41	30
Total Segment EBITDA	<u>235</u>	<u>206</u>
Corporate expense and other items, net	(1)	(1)
Adjusted EBITDA	<u>\$ 234</u>	<u>\$ 205</u>

DANA INCORPORATED

Reconciliation of Segment and Adjusted EBITDA to Net Income (Unaudited) For the Three Months Ended March 31, 2021 and 2020

	Three Months Ended March 31,	
	2021	2020
Segment EBITDA	\$ 235	\$ 206
Corporate expense and other items, net	(1)	(1)
Adjusted EBITDA	<u>234</u>	<u>205</u>
Depreciation	(88)	(85)
Amortization	(7)	(4)
Non-service cost components of pension and OPEB costs	(2)	(2)
Restructuring charges, net	(1)	(3)
Stock compensation expense	(5)	(4)
Strategic transaction expenses	(3)	(6)
Loss on investment in Hylion	(17)	
Loss on disposal group held for sale	(7)	
Impairment of goodwill		(51)
Other items	4	(3)
Earnings before interest and income taxes	<u>108</u>	<u>47</u>
Interest income	2	2
Interest expense	34	29
Earnings before income taxes	<u>76</u>	<u>20</u>
Income tax expense (benefit)	22	(16)
Equity in earnings of affiliates	14	2
Net income	<u>\$ 68</u>	<u>\$ 38</u>

DANA INCORPORATED
Reconciliation of Net Cash Provided By (Used In) Operating Activities to
Free Cash Flow and Adjusted Free Cash Flow (Unaudited)
For the Three Months Ended March 31, 2021 and 2020

which we have defined as net income (loss) before (In millions)	Three Months Ended	
	March 31,	
	2021	2020
Net cash provided by (used in) operating activities	\$ 27	\$ (51)
Purchase of property, plant and equipment	(53)	(63)
Free cash flow	(26)	(114)
Discretionary pension contributions		
Adjusted free cash flow	<u>\$ (26)</u>	<u>\$ (114)</u>



Non-GAAP Financial Information

Adjusted EBITDA is a non-GAAP financial measure which we have defined as net income (loss) before interest, income taxes, depreciation, amortization, equity grant expense, restructuring expense, non-service cost components of pension and other postretirement benefit costs and other adjustments not related to our core operations (gain/loss on debt extinguishment, pension settlements, divestitures, impairment, etc.). Adjusted EBITDA is a measure of our ability to maintain and continue to invest in our operations and provide shareholder returns. We use adjusted EBITDA in assessing the effectiveness of our business strategies, evaluating and pricing potential acquisitions and as a factor in making incentive compensation decisions. In addition to its use by management, we also believe adjusted EBITDA is a measure widely used by securities analysts, investors and others to evaluate financial performance of our company relative to other Tier 1 automotive suppliers. Adjusted EBITDA should not be considered a substitute for earnings (loss) before income taxes, net income (loss) or other results reported in accordance with GAAP. Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

Adjusted net income (loss) attributable to the parent company is a non-GAAP financial measure which we have defined as net income (loss) attributable to the parent company, excluding any discrete income tax items, restructuring charges, amortization expense and other adjustments not related to our core operations (as used in adjusted EBITDA), net of any associated income tax effects. This measure is considered useful for purposes of providing investors, analysts and other interested parties with an indicator of ongoing financial performance that provides enhanced comparability to net income attributable to the parent company reported by other companies. Adjusted net income (loss) attributable to the parent company is neither intended to represent nor be an alternative measure to net income (loss) attributable to the parent company reported in accordance with GAAP.

Diluted adjusted EPS is a non-GAAP financial measure which we have defined as adjusted net income (loss) attributable to the parent company divided by adjusted diluted shares. We define adjusted diluted shares as diluted shares as determined in accordance with GAAP based on adjusted net income (loss) attributable to the parent company. This measure is considered useful for purposes of providing investors, analysts and other interested parties with an indicator of ongoing financial performance that provides enhanced comparability to EPS reported by other companies. Diluted adjusted EPS is neither intended to represent nor be an alternative measure to diluted EPS reported in accordance with GAAP.

Free cash flow is a non-GAAP financial measure which we have defined as net cash provided by (used in) operating activities less purchases of property, plant and equipment. Adjusted free cash flow is a non-GAAP financial measure which we have defined as net cash provided by (used in) operating activities excluding discretionary pension contributions less purchases of property, plant and equipment. We believe these measures are useful to investors in evaluating the operational cash flow of the company inclusive of the spending required to maintain the operations. Free cash flow and adjusted free cash flow are not intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported in accordance with GAAP. Free cash flow and adjusted free cash flow may not be comparable to similarly titled measures reported by other companies.

The accompanying financial information provides reconciliations of adjusted EBITDA, diluted adjusted EPS, free cash flow and adjusted free cash flow to the most directly comparable financial measures calculated and presented in accordance with GAAP. We have not provided reconciliations of our adjusted EBITDA and diluted adjusted EPS outlook to the most comparable GAAP measures of net income and diluted EPS. Providing net income and diluted EPS guidance is potentially misleading and not practical given the difficulty of projecting event-driven transactional and other non-core operating items that are included in net income and diluted EPS, including restructuring actions, asset impairments, and income tax valuation adjustments. Reconciliations of these non-GAAP measures with the most comparable GAAP measures for historical periods are indicative of the reconciliations that will be prepared upon completion of the periods covered by the non-GAAP guidance.