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

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): January 15, 2019**

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**Dana Incorporated**  
(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of incorporation)

**1-1063**  
(Commission File Number)

**26-1531856**  
(IRS Employer  
Identification Number)

**3939 Technology Drive, Maumee, Ohio 43537**  
(Address of principal executive offices) (Zip Code)

**(419) 887-3000**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**ITEM 7.01 Regulation FD Disclosure.**

Dana Incorporated (“Dana”) issued a press release announcing its estimated financial results for its fiscal year 2018 and its outlook for fiscal year 2019. A copy of the press release is attached hereto as Exhibit 99.1.

Dana previously announced it will participate in the 2019 Wolfe Research Global Auto Industry Conference in Detroit, Michigan on January 15, 2019. President and Chief Executive Officer James Kamsickas and Executive Vice President and Chief Financial Officer Jonathan Collins will provide a brief overview of the company and answer questions for approximately 40 minutes, beginning at 2:10 p.m. EST.

Information on accessing a live webcast will be posted to Dana’s Investor website ([www.dana.com/investors](http://www.dana.com/investors)) prior to the event. In addition, the audio replay will be available the next business day via the Dana Investor website. A copy of the presentation, which will be discussed at the conference, is attached hereto as Exhibit 99.2.

The information in this report is being “furnished” and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, is not subject to the liabilities of that section and is not deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following items are furnished with this report.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Dana Incorporated Press Release dated January 15, 2019</a>
99.2	<a href="#">Wolfe Research Global Auto Industry Conference Presentation Slides</a>

**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 INCORPORATED**

Date: January 15, 2019

By: /s/ Douglas H. Liedberg

Name: Douglas H. Liedberg

Title: Senior Vice President, General Counsel and Secretary

# News Release



IMMEDIATE

## Dana Incorporated Announces Preliminary 2018 Financial Results and Guidance for 2019

*Company expects more than \$1 billion in sales growth in 2019*

*2019 marks third consecutive year of sales growth of nearly \$1 billion, double-digit growth of adjusted EBITDA and free cashflow*

*Acquisition of SME Group enhances electromobility capabilities, extends global reach*

MAUMEE, Ohio, Jan. 15, 2019 – Dana Incorporated (NYSE: DAN) today announced preliminary financial results for 2018 and guidance for 2019. Preliminary sales and adjusted EBITDA for 2018 are within the previous guidance ranges. Significant organic and inorganic growth are expected to drive higher sales, earnings, and free cash flow in 2019.

### Company Announces Preliminary 2018 Financial Results

- Sales of \$8.143 billion, an increase of \$934 million, or growth of 13 percent, compared with 2017;
- Adjusted EBITDA of \$957 million, an increase of \$122 million or growth of 15 percent; and
- Margin of 11.8 percent of sales, an expansion of 20 basis points.

Preliminary sales for the year approximated \$8.143 billion, about 13 percent higher than 2017, primarily due to strong end-market demand, conversion of sales backlog, and to a lesser extent acquisitions, and recovery of material inflation.

Preliminary adjusted EBITDA for 2018 approximated \$957 million, a \$122 million improvement over 2017. This improvement was driven principally by higher end-market demand, conversion of sales backlog, and acquisition synergies, which were partially offset by higher commodity costs.

Adjusted EBITDA margin was 11.8 percent of sales, a 20 basis-point improvement over 2017. Stronger end-market demand and operational performance more than offset the margin headwind attributable to the effects of higher raw material prices and the associated material recovery reflected in sales.

“For the second consecutive year Dana achieved double-digit sales growth, adding nearly \$1 billion in incremental sales, while again improving our margin profile” said James Kamsickas, Dana president and chief executive officer. “Through investment in new technologies and strategic acquisitions, Dana has evolved the business to be energy-source agnostic. Regardless of the vehicle powertrain design, Dana is well-positioned to address the needs of our customers across vehicle architectures in the light-vehicle, commercial-vehicle, and off-highway segments.”

#### Company Updates Sales Backlog

Dana's three-year sales backlog remains strong with \$700 million of incremental sales expected from 2019 through 2021. This includes \$350 million in incremental new business in 2019, an increase of \$50 million compared with the prior three-year backlog.

#### Company Issues 2019 Guidance

The company is issuing guidance for Dana as currently consolidated, as well as guidance resulting from the completion of the acquisition of the Drive Systems segment of the Oerlikon Group (ODS), expected to close by the end of February of 2019. Guidance ranges are:

- Sales of \$8.250 to \$8.550 billion; or \$8.950 to \$9.350 including ODS
- Adjusted EBITDA of \$995 million to \$1.055 billion, an implied adjusted EBITDA margin of approximately 12.2 percent at the midpoint of the range; \$1.085 billion to \$1.165 billion; including ODS, an implied adjusted EBITDA margin of approximately 12.3 percent at the midpoint of the range;
- Diluted adjusted EPS<sup>1</sup> of \$2.90 to \$3.30; \$2.95 to \$3.45 including ODS;
- Operating cash flow of approximately 8.0 percent of sales; 7.0 percent, including ODS; and
- Free cash flow of approximately 4.0 percent of sales; 3.0 percent including ODS.

<sup>1</sup> Net income and diluted EPS guidance are not provided, as discussed below in Non-GAAP Financial Information.

"Continued high customer demand, combined with execution of our sales backlog and recent inorganic actions, enabled us to deliver strong performance in 2018," said Jonathan Collins, executive vice president and chief financial officer of Dana. "We look to carry this momentum into 2019 with stable end markets, strong sales backlog, and the accretive benefits of our strategic acquisitions, all of which are providing us tremendous growth potential in both the traditional sectors of our markets, as well as the fast-growing vehicle electrification segment."

#### Dana Acquires SME Group

Earlier today, Dana announced that it has completed the acquisition of the SME Group, a global developer and manufacturer of low-voltage AC induction and synchronous reluctance motors, inverters, and controls for a wide range of off-highway electric vehicle applications, including material handling, agriculture, and automated-guided vehicles. It employs more than 100 people and operates manufacturing and engineering centers in Canada, China, Germany, and Italy.

#### Dana to Present Today at the 2019 Wolfe Research Global Auto Industry Conference and Wednesday Deutsche Bank Global Auto Industry Conferences

Mr. Kamsickas and Mr. Collins will provide a brief overview of the company and answer questions at the Wolfe Research Global Auto Industry Conference today from 2:10 p.m. to 2:50 p.m. EST. In addition, they will present at the Deutsche Bank 2019 Global Auto Industry Conference on Wednesday, Jan. 16, from 11:20 a.m. to noon.

Information on accessing the webcast will be posted to Dana's Investor website, [www.dana.com/investors](http://www.dana.com/investors), prior to the event.

#### Non-GAAP Financial Information

This release refers to adjusted EBITDA, a non-GAAP financial measure which we have defined as net income before interest, taxes, depreciation, amortization, equity grant

expense, restructuring expense, non-service cost components of pension and other postretirement benefits (OPEB) cost, 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 income before income taxes, net income or other results reported in accordance with GAAP. Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

Diluted adjusted EPS is a non-GAAP financial measure, which we have defined as adjusted net income divided by adjusted diluted shares. We define adjusted net income as net income (loss) attributable to the parent company, excluding any nonrecurring income tax items, restructuring and impairment expense, amortization expense, and other adjustments not related to our core operations (as used in adjusted EBITDA), net of any associated income tax effects. We define adjusted diluted shares as diluted shares as determined in accordance with GAAP based on adjusted net income. 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 under GAAP.

Free cash flow is a non-GAAP financial measure, which we have defined as cash provided by (used in) operating activities excluding voluntary pension contributions, less purchases of property, plant, and equipment. We believe this measure is useful to investors in evaluating the operational cash flow of the company inclusive of the spending required to maintain the operations. Free cash flow is neither intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported under GAAP. Free cash flow may not be comparable to similarly titled measures reported by other companies.

We have not provided reconciliations of preliminary and projected adjusted EBITDA and diluted adjusted EPS 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. Please reference the "Non-GAAP financial information" accompanying our quarterly earnings conference call presentations on our website at [www.dana.com/investors](http://www.dana.com/investors) for our GAAP results and the reconciliations of these measures, where used, to the comparable GAAP measures.

#### **Forward-Looking Statements**

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

**About Dana Incorporated**

Dana is a world leader in highly engineered solutions for improving the efficiency, performance, and sustainability of powered vehicles and machinery. Dana supports the passenger vehicle, commercial truck, and off-highway markets, as well as industrial and stationary equipment applications. Founded in 1904, Dana employs more than 30,000 people in 33 countries on six continents who are committed to delivering long-term value to customers. Based in Maumee, Ohio, USA, the company reported preliminary sales of \$8.1 billion in 2018. For more information, please visit [dana.com](http://dana.com).

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**Dana Incorporated**  
Wolfe Research  
Global Auto Industry Conference  
January 15, 2019

**James Kamsickas**

President and Chief Executive Officer

**Jonathan Collins**

Executive Vice President and Chief Financial Officer





# Safe Harbor Statement

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Certain statements and projections contained in this presentation are, by their forward-looking nature, within the meaning of the Private Securities Litigation Reform Act of 1995, "forward-looking statements." These forward-looking statements are based on our current expectations, estimates, forecasts, 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 negative variations 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 statements contained in our Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, or our Current Reports on Form 8-K, and other Securities and Exchange Commission filings. Our filings discuss important risk factors that could affect our business, results of operations, and financial condition. The forward-looking statements in this presentation speak as of the date of this presentation. Dana does not undertake any obligation to revise or update publicly any forward-looking statement for any reason.



# Dana Snapshot

Founded in **1904**



2018 preliminary sales:  
**\$8.1 billion**



**~30,000**  
people



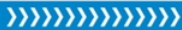
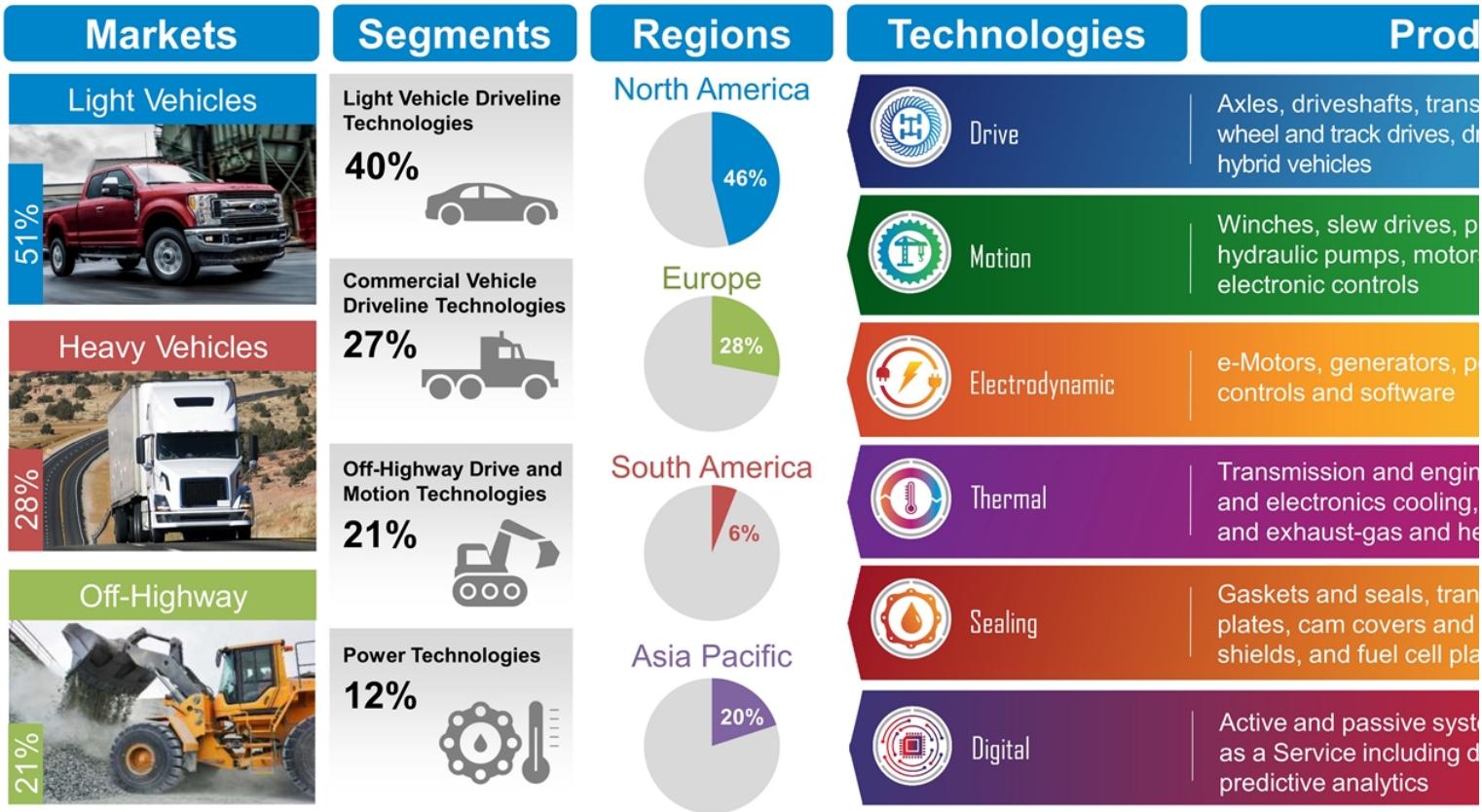
**21**  
technical centers



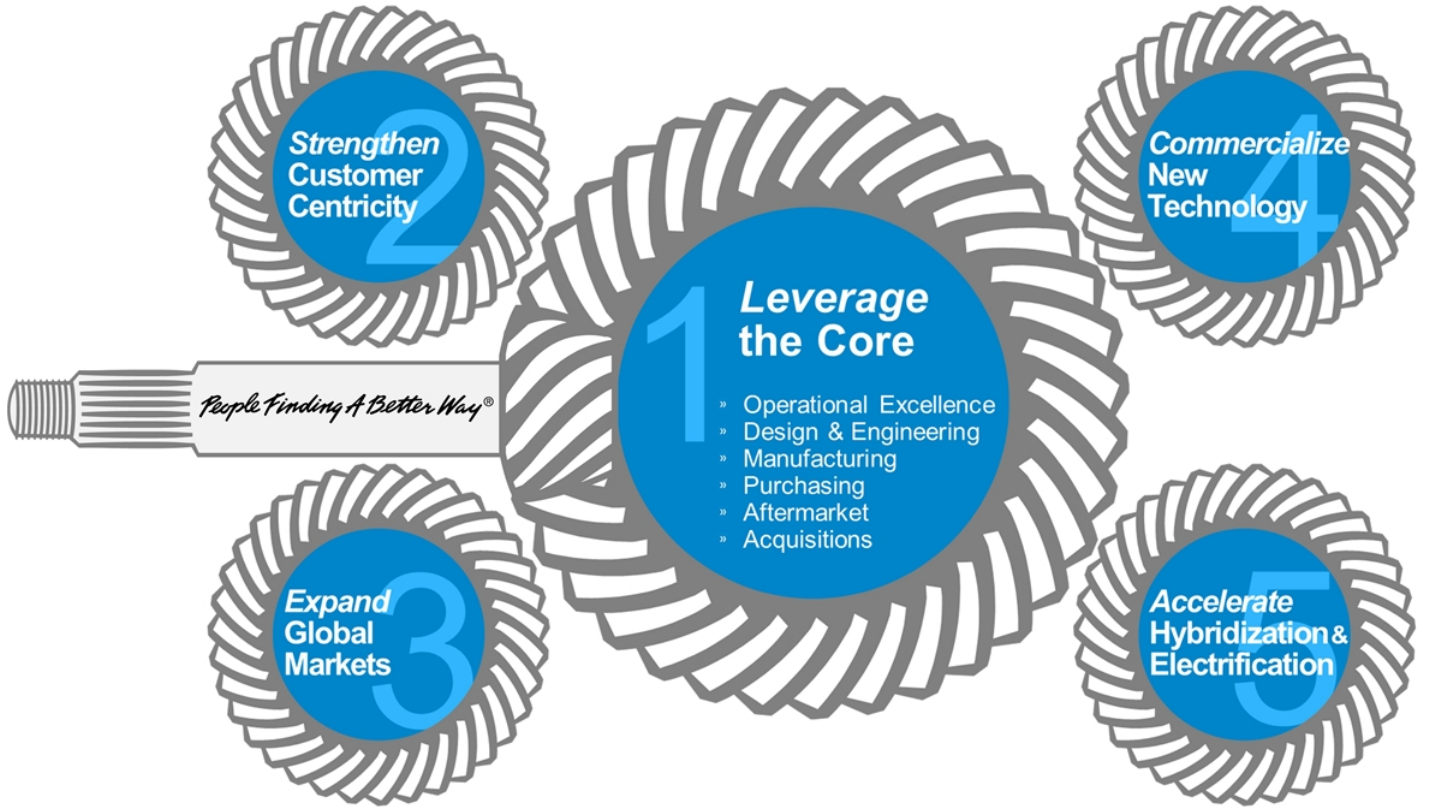
**136** major facilities  
**33** countries  
**6** continents  
**143** customers in countries

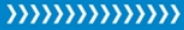
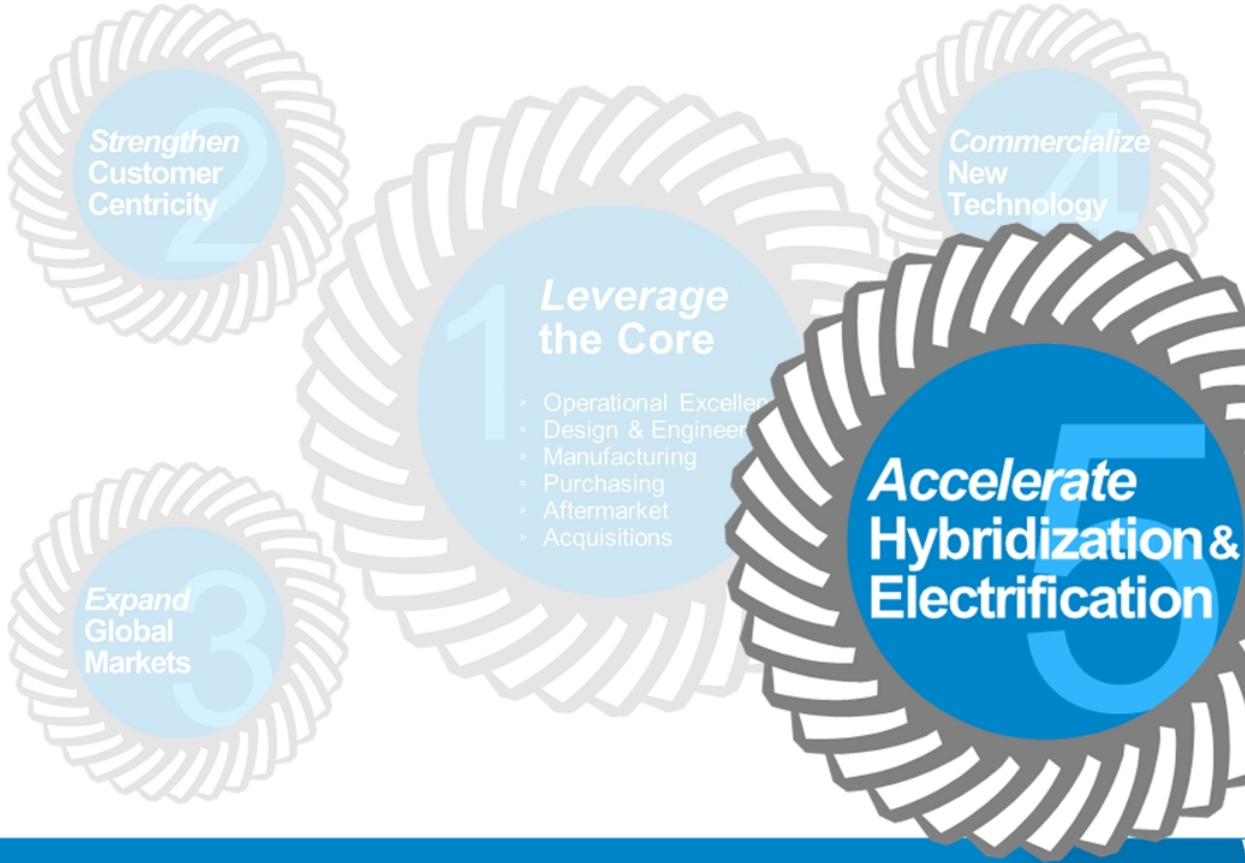


# Business Overview



2018 preliminary sales including 100% of DDAC





# Acquisition Benefits



*Completes in-house electrodynamic capabilities*

*Establishes E e-Technology excellence*



*Augments breadth of e-Drive systems offerings*

*Strengthens energy market*



# SME GROUP Snapshot



**4**  
Global Locations



**2**  
Engineering Centers



2019T Sales:  
**~\$30M**  
Purchase Price:  
**\$88M**

**Manufacturing**  
in Europe and China



SMARTMOTION CONTROLLERS™  
POWERED BY TAU SOFTWARE

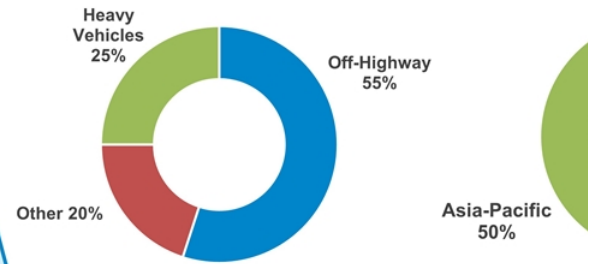
TAUTRONIC CONTROLLERS™  
POWERED BY TAU SOFTWARE

SCHWARZMÜLLER INVERTERS™  
POWERED BY PLUS1 SOFTWARE



**A Leader in Low Voltage Electrodynamic Components**

## Sales by End Market



## Key Customers



# Electrodynamic Technology

Business

Brands

Motors

Inver

tm4



MOTIVE™  
SUMO™

Permanent  
Magnet



High

Voltage  
Range



Low

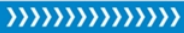


SMARTMOTION  
CONTROLLERS™  
TAUTRONIC  
CONTROLLERS™  
SCHWARZMÜLLER  
INVERTERS™

Induction



*Acquisition establishes complete suite of electrodynamic techn*







# e-Propulsion Product Portfolio

## Technology Solutions

Mild hybrid	Primary Axle Hybrid Drive (P/HEV)			Battery Electric Vehicle (BEV)		
<b>Power Electronics</b>   	<b>Hybrid Drive Unit</b>  	<b>Hybrid Axle</b>  	<b>Independent e-Axle</b>  	<b>Direct Drive</b>   	<b>e-Drive Unit</b>  	<b>Rigid e-Axle</b>  

## Vehicle Applications

Recreational	Utility	Passenger Car	Material Handling	City Delivery	Light Truck	Medium Duty	Heavy Duty/Bus
<p>Club Car</p>	<p>Taylor Dunn</p>	<p>Bolloré Blue Car</p>	<p>BYD 1.6T &amp; 2.5T</p>	<p>Zenith Electric Van</p>	<p>[Under Development]</p>	<p>Workhorse</p>	<p>Karsan ATAK midibus</p>

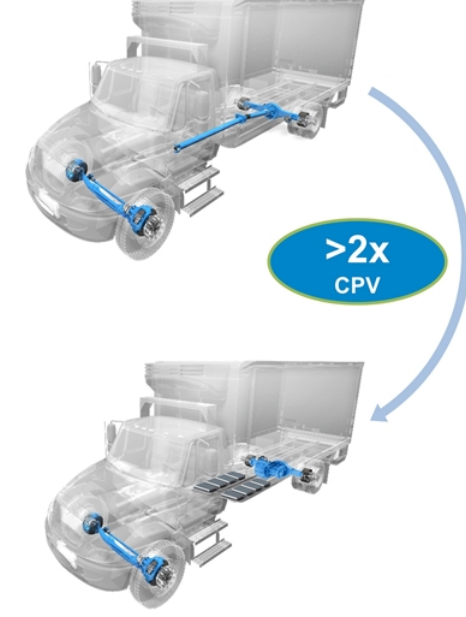
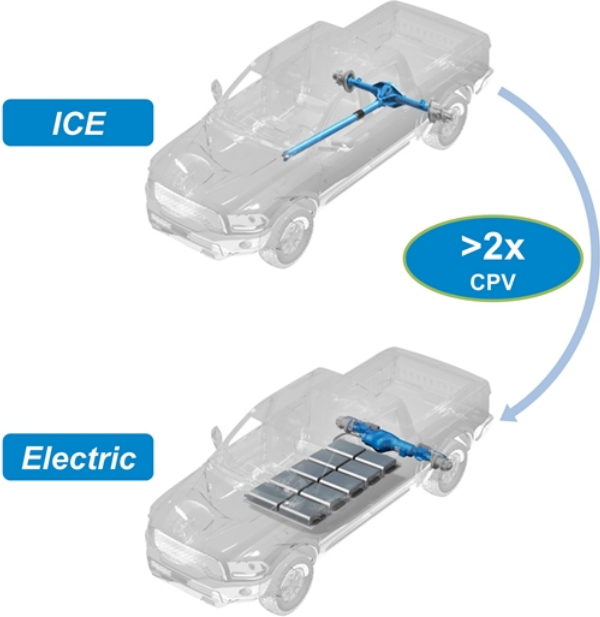


# e-Propulsion Content Growth

## Full-Frame Light Trucks

## Medium-Duty Trucks

## Off-Highway



**Significant content per vehicle expansion opportunity**



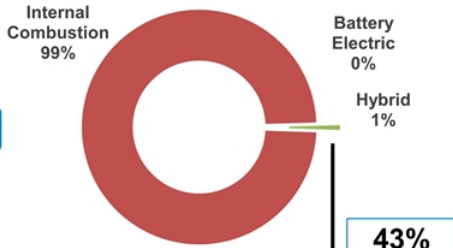
# e-Propulsion Market Outlook

## Full-Frame Light Trucks

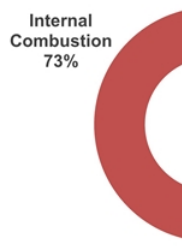
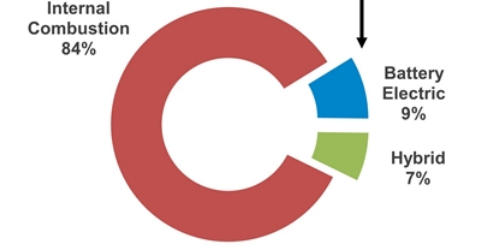
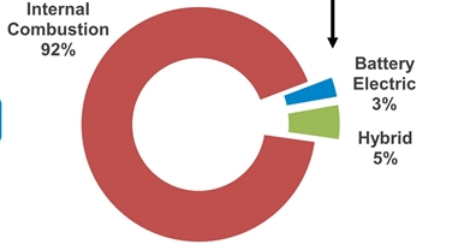
## Medium-Duty Trucks

## Off-Highway

2018



2025



43% CAGR

22% CAGR

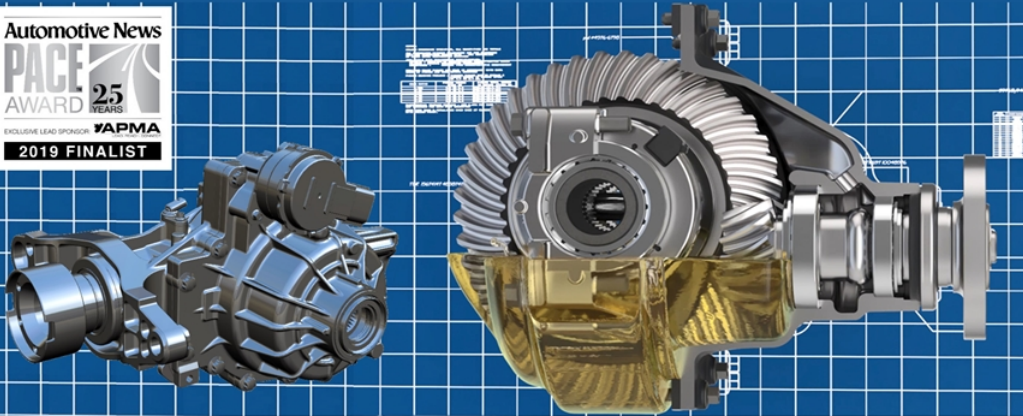
**All segments offer attractive market growth**

Source: Roland Berger and management estimates



# Spicer Axles Driving the Future

## Light Vehicle Ultra-Efficient AdvanTEK® Axle System

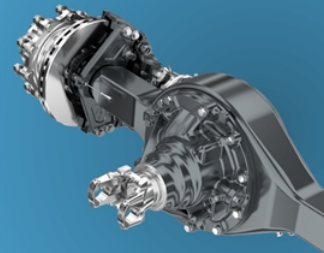


Delivers **~2% improvement** in fuel economy to the end consumer



The **most efficient axle** for automotive applications – a full **30% better** than current best-in-class competitive products

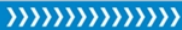
## Commercial Vehicle HD Single AdvanTEK®



Provides **60 pounds** of weight reduction



Application in **4x2, 6x2** vehicle configurations



# Driving Growth



Industry-leading **technology** powering growth



Significant **new business** wins in all segments



Multiple end markets provides **cycle stability**



Investing for the **future of mobility**



# 2015 to 2018 Performance Improvement

SALES  
~\$2.0  
billion

↑ 33%

Adj. EBITDA  
~\$300  
million

↑ 47%

Free Cash Flow  
~\$100  
million

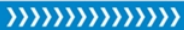
↑ 64%

Dilute  
Earnings

~\$

↑

*Outstanding performance, outstanding future...*



Comparison based on 2015 results to preliminary 2018 results for sales, EBITDA and cashflow; EPS compared to latest guidance.



# Outlook and Financials

**Jonathan Collins**

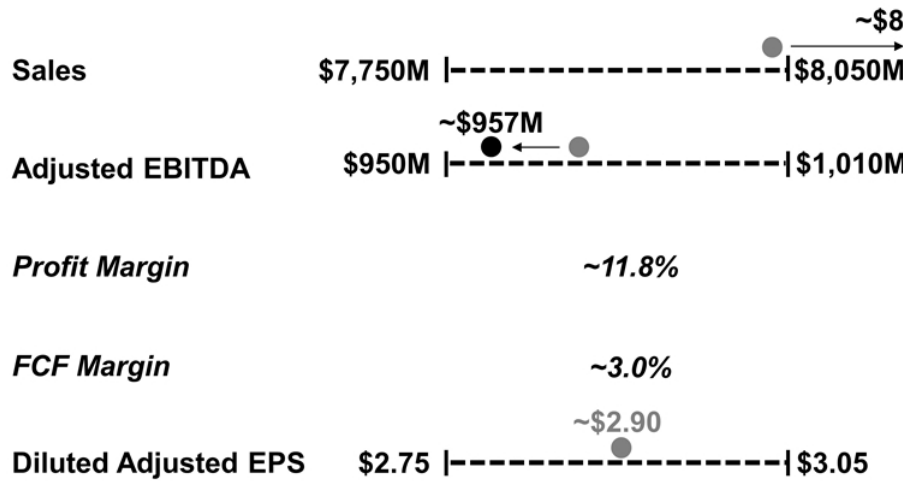
Executive Vice President and Chief Financial Officer



# 2018 Preliminary Results

- Sales surpassed high end of guidance range as Q4 demand exceeded expectations; however, conversion on the incremental sales was negligible as premium costs to fill the orders offset the added contribution margin and product mix was unfavorable
- Adjusted EBITDA landed near low end of guidance range, ~\$8M lower than prior indication primarily due to increased commodity costs
- Free cash flow results are in line with prior expectation at ~3.0% margin

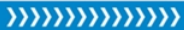
## Key Financial Metrics



**Delivering preliminary results within range of expectations**

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

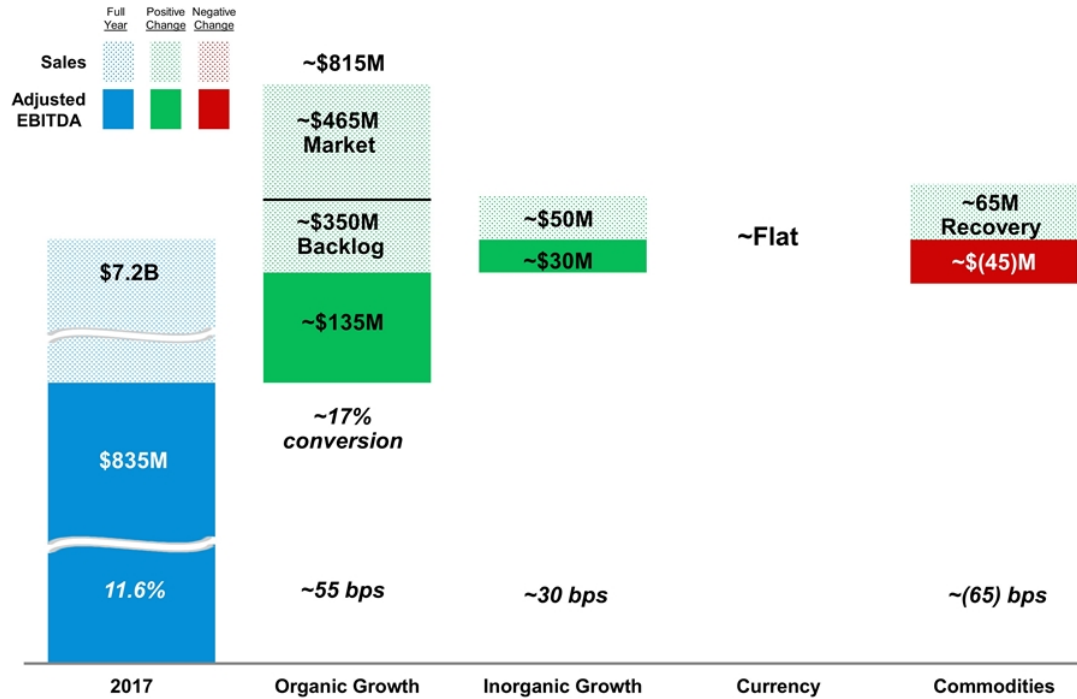
--- Guidance range ● Preliminary Result ● Prior Indication





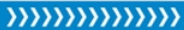
# 2018 Preliminary Sales and Profit Change

- Sales growth of 13% compared with last year driven by conversion of backlog, improving end-market demand, a full year of the 2017 acquisitions, and recovery of commodity inflation
- ~85 bps of margin expansion as a result of organic and inorganic growth was largely offset by ~65 bps margin headwind due to commodity cost increases, net of recoveries
- In addition to ~\$110M of commodity cost increases, Section 232 and 301 tariffs increasing costs by ~\$10M with minimal commercial recovery



**Delivered >\$900M of sales growth and added \$120M of profit**

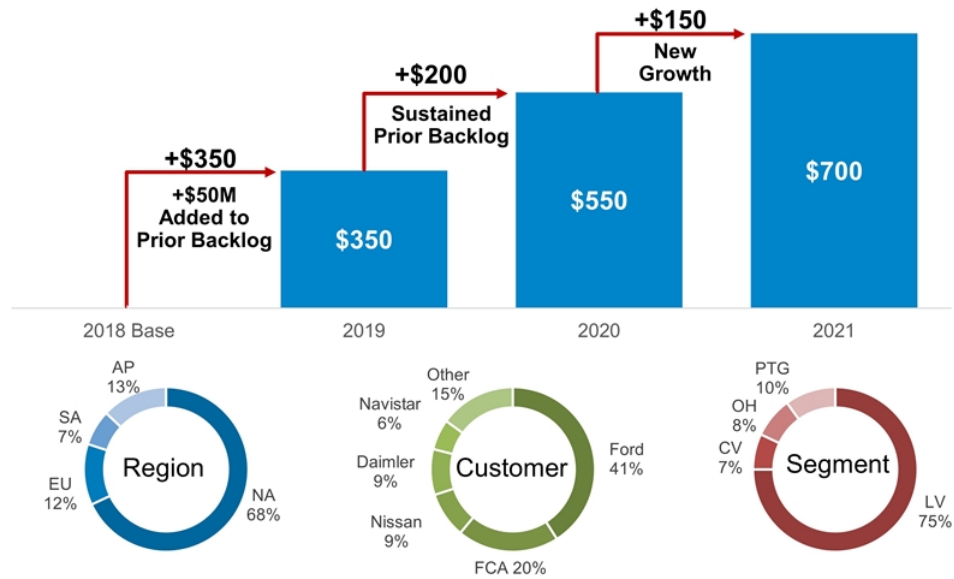
See appendix for comments regarding the presentation of non-GAAP measures



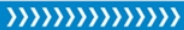
# 2019 – 2021 Sales Backlog: \$700 Million

- Backlog includes booked incremental new business net of any lost replacement business
- Backlog is incremental to 2018 sales holding both foreign currency exchange rates and vehicle production volumes constant
- Delivering positive backlog in all business units across all major customers and regions









\$ in Millions








**Backlog ensures outperformance of market through**



# 2019 Mobility Market Demand Outlook

Mobility Market	Primary Source	Core Segments	Sales Dist <sup>1</sup>	North America	Europe & Africa	South America	Asia Pacific
				46%	28%	6%	20%
		Full Frame	51%	↓	↑	↑	↑
	 	Medium Duty	28%	↓	↑	↗	↑
		Heavy Duty		↑	→	→	↓
		Agriculture	21%	↗	↗	↓	↗
		Construction		↗	↑	↑	↗
		Mining		→	→	→	↗
			100%	→	↗	↗	→

Legend: YoY Δ

-  >+3%
-  <+3%
-  Flat
-  >(3%)
-  <(3%)



<sup>1</sup>2018 preliminary sales including 100% of DDAC

# 2019 Guidance Ranges

- Guidance reflects existing Dana business and represents ~\$250M or 3% organic growth, ~\$65M of profit growth, 40 bps of profit margin expansion, 100 bps of free cash flow margin expansion, and ~\$0.20 or 7% EPS growth
- Guidance range with Oerlikon Drive Systems (ODS) reflects 10 months of activity and assumes a March 1<sup>st</sup> close
- Guidance with ODS represents ~\$1B or 12% sales growth, ~\$165M of profit growth, 50 bps of profit margin expansion, and ~\$0.30 or 10% EPS growth
- ODS is expected to be a use of cash in 2019 as transaction costs and integration expenses are included in FCF

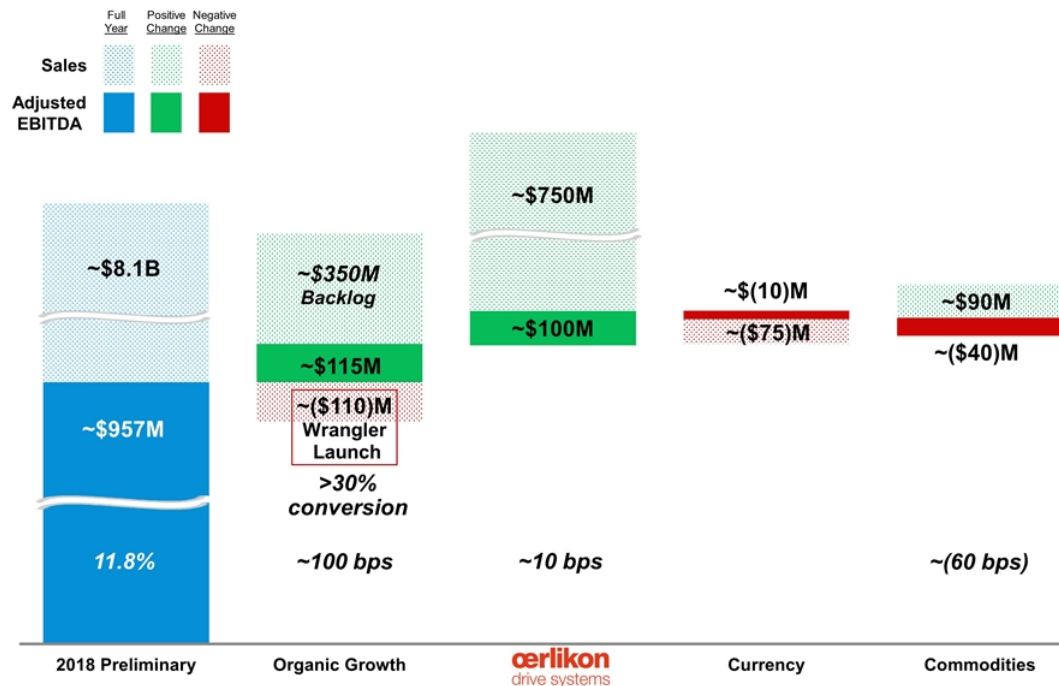
	Guidance Range	Guidance Range
<b>Sales</b>	+/- \$150M  -----  ~\$8,400M	+/- \$200M  -----
<b>Adjusted EBITDA</b>	+/- \$30M  -----  ~\$1,025M	+/- \$40M  -----
<b>Implied Profit Margin</b>	~12.2%	
<b>Implied FCF Margin</b>	~4.0%	
<b>Diluted Adjusted EPS</b>	+/- \$0.20  -----  ~\$3.10	+/- \$0.25  -----

**Expecting 3<sup>rd</sup> year of double digit sales, profit, and**

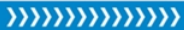


# 2019 Sales and Profit Changes

- Higher conversion on organic growth due to efficiency improvements as well as the benefit of structural costs actions taken in H2 of 2018
- Overlap of Jeep Wrangler program during H1 2018 resulting in ~\$110M of non-recurring sales, contribution margin loss offset by the elimination of launch costs incurred in 2018
- ODS is expected to accrete ~\$100M of profit (10 mo.) including ~\$10M of cost synergies
- Foreign currency expected to provide modest headwind primarily due to EUR/USD
- Commodities costs expected to remain higher than prior year average albeit with higher recovery ratio than prior year as costs plateau

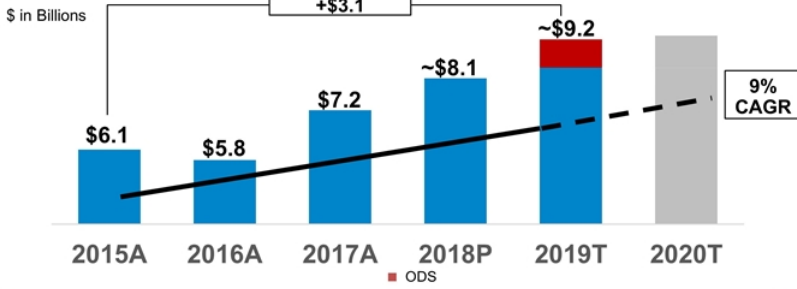


**Poised to deliver \$1B of sales growth and add \$16**

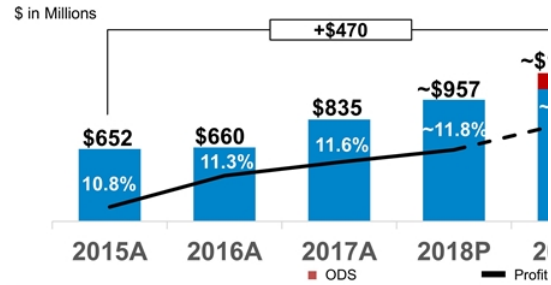


# Key Financial Metrics Trends

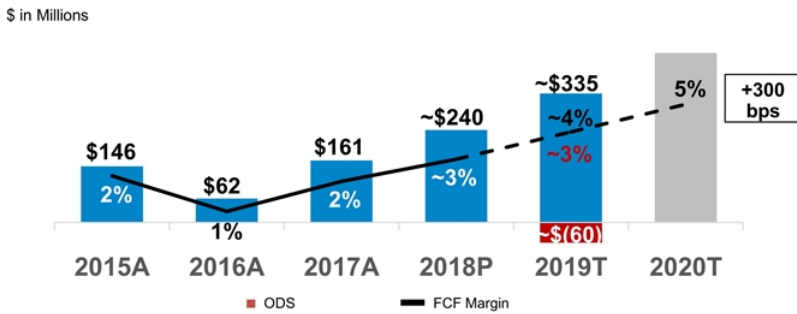
## Sales



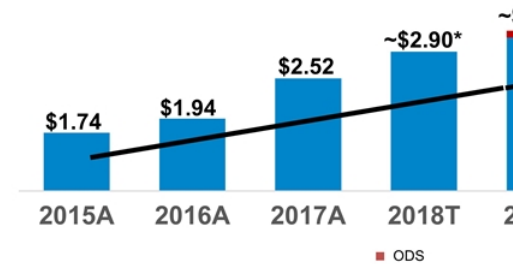
## Adjusted EBITDA



## Free Cash Flow



## Diluted Adjusted Earnings



2019 FCF excludes pension termination impact

\*As presented in the third quarter 2018 earnings release.

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

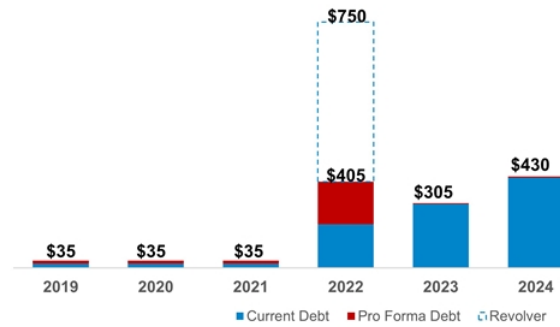
# Strong Balance Sheet

## Pro Forma Capitalization

(\$ in millions)	YE 2018 Preliminary	YE 2019 Pro forma
Cash and Marketable Securities	~\$525	~\$575
Revolver	~575	~725
<b>Liquidity</b>	<b>~\$1,100</b>	<b>~\$1,300</b>
Term Loan A	~\$265	~\$460
Term Loan B		~445
Senior Notes	~1,500	~1,500
Other Debt	~20	~50
<b>Total Debt</b>	<b>~\$1,785</b>	<b>~\$2,455</b>
<b>Net Debt</b>	<b>~\$1,260</b>	<b>~\$1,880</b>
Adjusted EBITDA	~\$957	~\$1,125
<b>Net Leverage</b>	<b>~1.3x</b>	<b>~1.7x</b>

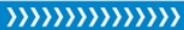
## Maturity Profile

\$ in Millions



- » No maturities in the next three years
- » Net leverage projected to improve to < 1/2 a turn with ODS acquisitions
- » Liquidity to increase by ~\$200 million

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



# Capital Allocation Priorities

- Capital expenditures have normalized at ~4% of sales as largest program have refreshed (i.e. Ford Super Duty and Jeep Wrangler)
- Disciplined M&A process continues to deliver accretive acquisitions position for long term growth prospects related to vehicle electrification
- As free cash flows continues to increase, excess cash will be used to further strengthen the balance sheet

## 1 Organic Growth

- » Investing to deliver backlog generates attractive return
- » Targeting consistent capital spend levels at ~4% of sales

## 2 Inorganic Growth

- » Expand product technology
- » Enhance geographic presence

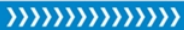
## 3 Capital Structure

- » Reduce debt and pension liabilities (U.S. frozen pension fund and termination planned for 2019)
- » Drive towards investment grade credit metrics

## 4 Cash Repatriation

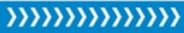
- » Pay competitive dividend
- » Ambient level of share repurchase to mitigate dilution \$200M authorized (\$175M remaining for 2019)

***Investing in growth and further strengthening balance sheet***





# Investment Highlights



# Non-GAAP Financial Information

The preceding slides refer to Adjusted EBITDA, a non-GAAP financial measure which we have defined as net income before interest, tax, amortization, equity grant expense, restructuring expense and, non-service cost components of pension and other postretirement benefit 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 other interested parties to evaluate financial performance of our company relative to other Tier 1 automotive suppliers. Adjusted EBITDA should not be considered comparable to income before income taxes, net income or other results reported in accordance with GAAP. Adjusted EBITDA may not be comparable to similar measures reported by other companies.

Diluted adjusted EPS is a non-GAAP financial measure which we have defined as adjusted net income divided by adjusted diluted shares. Adjusted net income as net income attributable to the parent company, excluding any nonrecurring income tax items, restructuring charge, equity grant expense and other adjustments not related to our core operations (as used in adjusted EBITDA), net of any associated income tax effect. Adjusted diluted shares as diluted shares as determined in accordance with GAAP based on adjusted net income. This measure is consistent with the purposes of providing investors, analysts and other interested parties with an indicator of ongoing financial performance that provides greater comparability to EPS reported by other companies. Diluted adjusted EPS is neither intended to represent nor be an alternative measure of earnings reported under GAAP.

Free cash flow is a non-GAAP financial measure which we have defined as net cash provided by (used in) operating activities excluding contributions, less purchases of property, plant and equipment. We believe this measure is useful to investors in evaluating the operating performance of our company inclusive of the spending required to maintain the operations. Free cash flow is neither intended to represent nor be an alternative measure of net cash provided by (used in) operating activities reported under GAAP. Free cash flow may not be comparable to similarly titled measures reported by other companies.

Please reference the "Non-GAAP financial information" accompanying our quarterly earnings conference call presentations on our website at [www.dana.com/investors](http://www.dana.com/investors) for reconciliations of adjusted EBITDA, diluted adjusted EPS and free cash flow to the most directly comparable GAAP measures calculated and presented in accordance with GAAP. We have not provided a reconciliation of our adjusted EBITDA and diluted adjusted EPS 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. The reconciliations of these non-GAAP measures to comparable GAAP measures for the historical periods presented on our website are indicative of the reconciliations that will be prepared for the periods covered by the non-GAAP guidance.

