



Dana Holding Corporation

2015 First Quarter Earnings Conference Call

April 23, 2015

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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.



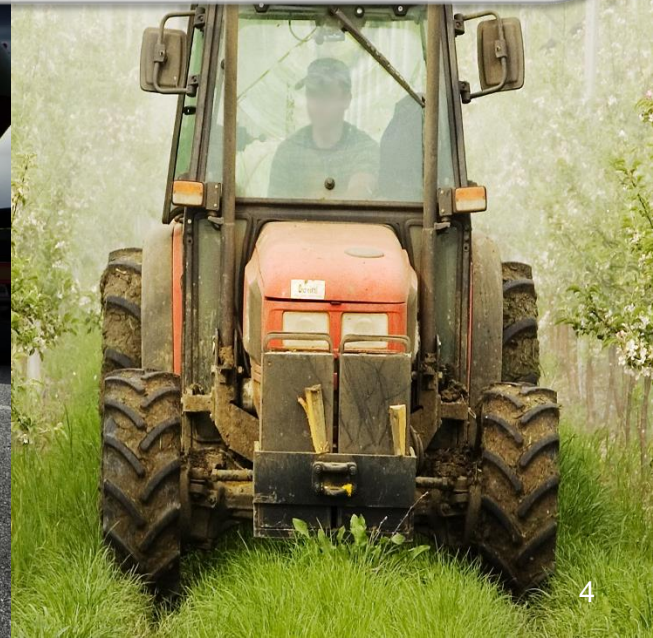
- ▶ Introduction
Craig Barber
*Director,
Investor Relations*
- ▶ Business Update
Roger Wood
*President and
Chief Executive Officer*
- ▶ Financial Review
Bill Quigley
*Executive Vice President
and Chief Financial Officer*
- ▶ Q&A Session
Includes:
Mark Wallace
*Executive Vice President and
Group President, On-Highway Driveline Technologies*

First Quarter 2015 Highlights



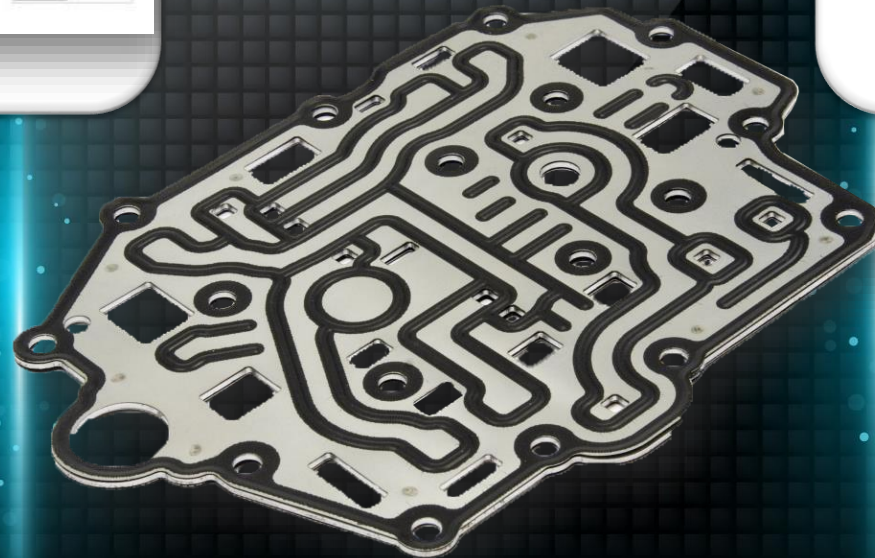
- ▶ **Sales of \$1.61 billion**
 - ▶ 4% growth net of currency and divestiture effects
- ▶ **Net Income of \$63 million**
 - ▶ 85% improvement vs. last year
 - ▶ Diluted Adjusted EPS: \$0.50
- ▶ **Adjusted EBITDA of \$176 million**
 - ▶ 10.9% margin
 - ▶ 110 bps improvement vs. last year
- ▶ **Significant shareholder return**
 - ▶ Q1 share repurchases - \$63 million
 - ▶ \$1.15 billion returned to date*
 - ▶ \$248 remaining under authorization
- ▶ **PACE award recognition**
- ▶ **Introduced new fuel-saving technology for Class 8 trucks at 2015 Mid-America Trucking Show**

*Program inception through 3/31/15



2015 PACE Awards

PACE Award Finalist and PACE Innovation Partnership Winner



**Partially Coated Multi-layer Steel
Transmission Separator Plates**

Dana Awards



Honda
Excellence in Value Award
U.S.



AGCO
Supplier of the Year Award
Europe



John Deere
Supplier of the Year Award
Brazil



Showcasing our Technologies



Victor Reinz®
Metallic Bi-Polar Plate



Spicer®
All-Wheel Drive



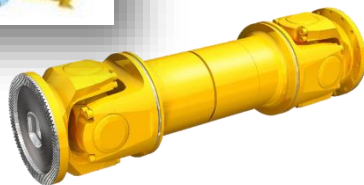
Spicer®
Ultimate Dana 60 Axles



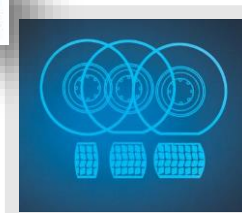
Spicer®
Off-Highway Axles



Spicer®
Dual Range Disconnect™



GWB®
Industrial Driveshafts



Spicer® Tire Optimization
Monitoring System

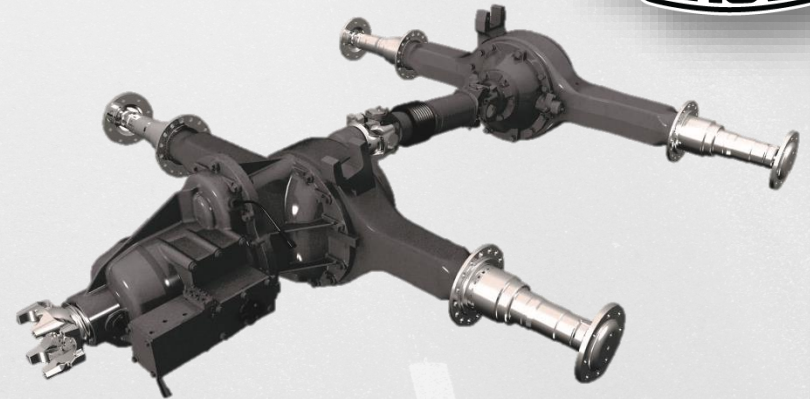
Fuel Saving Technology for Commercial Vehicles

- ▶ Automatically disconnects and reconnects rear drive wheels as needed
- ▶ Improves powertrain system efficiency by 2% to 5%*
- ▶ Enables engine downspeeding

Every 1%
Efficiency
Improvement

=

\$730
FUEL
SAVINGS
PER YEAR



**Based on current 6x4 tandem axle arrangements with overdrive transmissions.*

Easter Jeep Safari 2015



- ▶ America's biggest off-road event with thousands in attendance
- ▶ Overwhelming 'buzz' for Dana products both onsite and on social media
- ▶ Great opportunity to connect with end user





Financial Review

2015 First Quarter

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Financial Results



(\$ in millions, except EPS)

First Quarter

	2015	2014	Change
Sales	\$ 1,608	\$ 1,688	\$ (80)
Adjusted EBITDA	176	165	11
Margin	10.9%	9.8%	110 bps
Income from Continuing Operations before Interest Expense / Income Taxes	132	101	31
Net Income <i>(attributable to Dana)</i>	63	34	29
Diluted Adjusted EPS <i>(excludes nonrecurring items)</i>	\$ 0.50	\$ 0.32	\$ 0.18
Capital Spend*	62	67	(5)
Free Cash Flow**	(82)	(36)	(46)

* 2014 adjusted to conform with 2015 presentation that excludes unpaid capital spend

** 2014 includes \$40 receipt of prior period interest on a note receivable classified as an operating cash flow

Sales and Adj. EBITDA – 2015 vs. 2014



(\$ in millions)

First Quarter

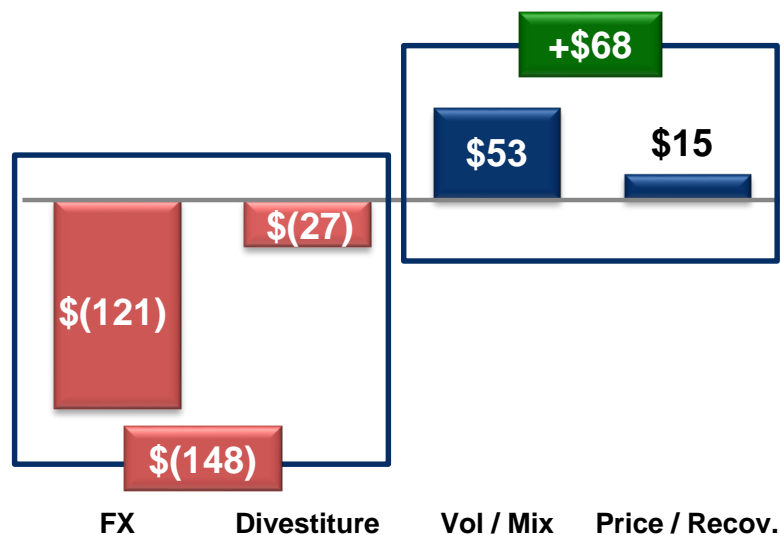
	2015	2014	Change
Sales	\$ 1,608	\$ 1,688	\$ (80)

		Y/Y Change	FX Impact	Divestiture	Organic Change
North America	52%	10%	(1)%		11%
Europe	29%	(13)%	(16)%		3%
South America	7%	(44)%	(10)%	(13)%	(21)%
Asia Pacific	12%	4%	(3)%		7%
Total		(5)%	(7)%	(2)%	4%

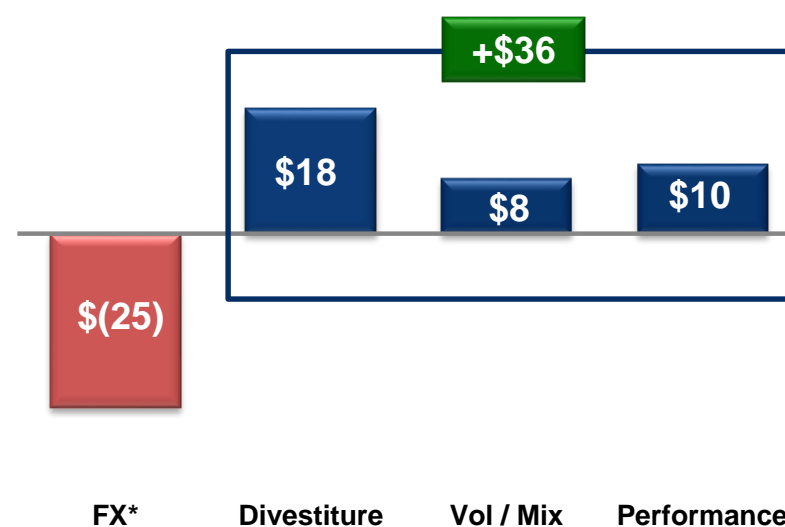
First Quarter

	2015	2014	Change
Adj. EBITDA	\$ 176	\$ 165	\$ 11
Margin	10.9%	9.8%	110 bps

Key Drivers of Y/Y Sales Change



Key Drivers of Y/Y EBITDA Change

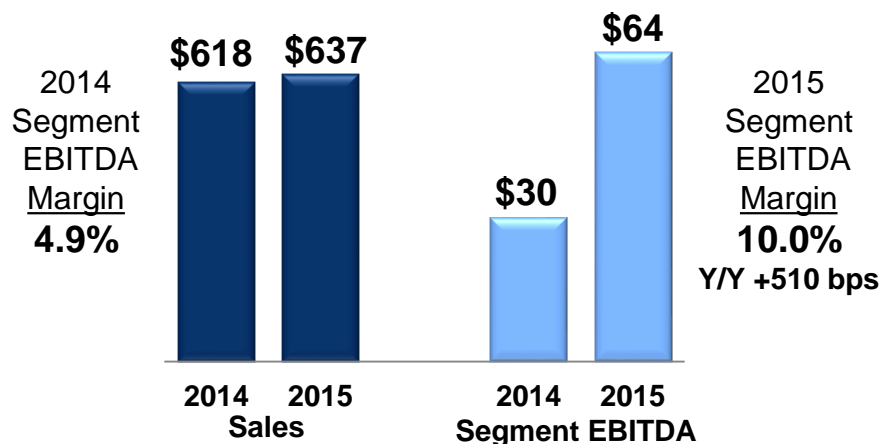


* Includes \$6 of currency gains on transactions in 2014 that did not repeat

First Quarter 2015 Business Results



Light Vehicle Driveline

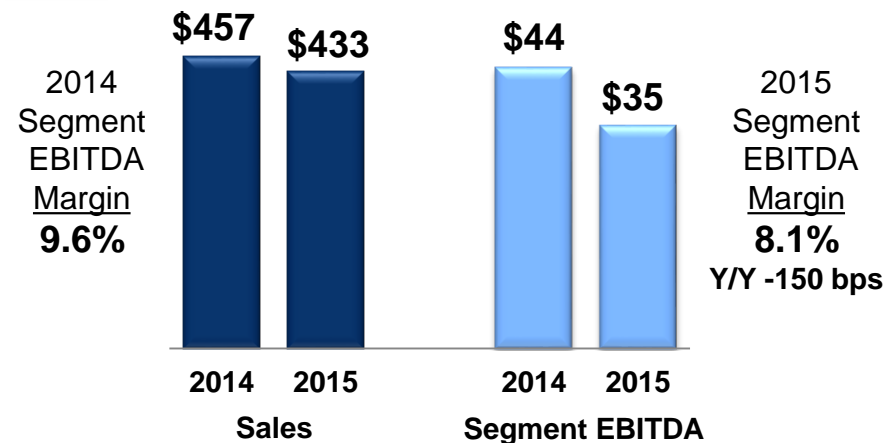


Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$618	\$30	4.9%
Currency	(17)	(1)	
Divestiture	(27)	18	
Vol / Mix	56	11	
Performance	7	6	
Change	19	34	
2015	\$637	\$64	10.0%



Commercial Vehicle Driveline



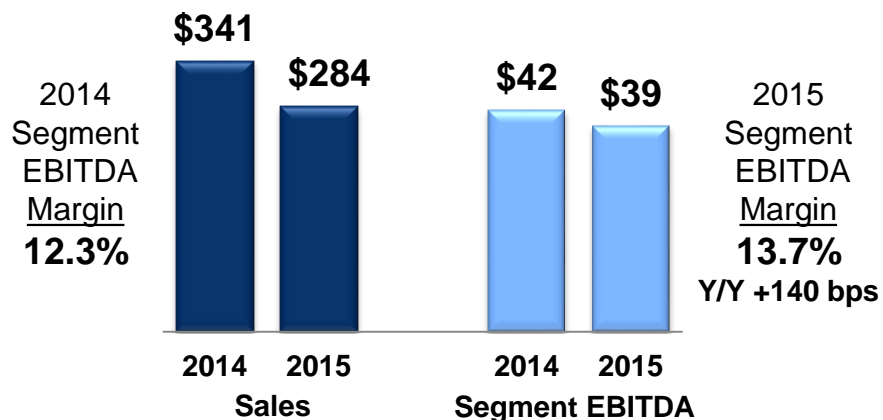
Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$457	\$44	9.6%
Currency	(30)	(2)	
Vol / Mix	42	5	
Brazil Market	(43)	(8)	
Performance	7	(4)	
Change	(24)	(9)	
2015	\$433	\$35	8.1%

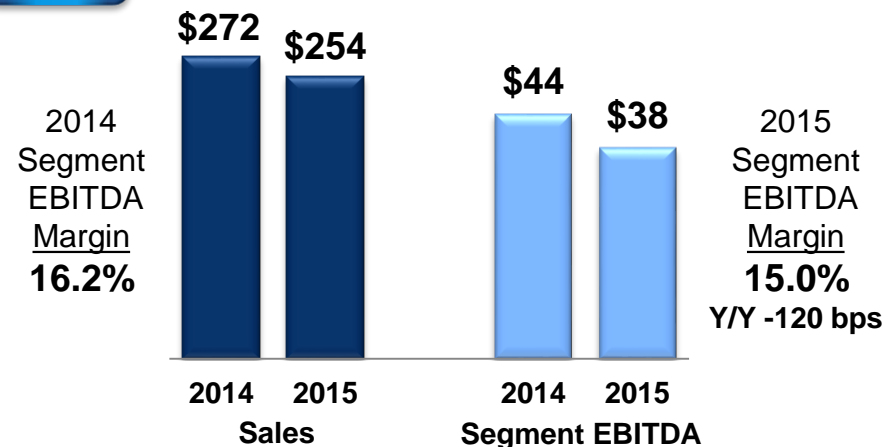
First Quarter 2015 Business Results



Off-Highway Driveline



Power Technologies



Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$341	\$42	12.3%
Currency	(46)	(10)	
Vol / Mix	(12)	(2)	
Performance	1	9	
Change	(57)	(3)	
2015	\$284	\$39	13.7%

Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$272	\$44	16.2%
Currency	(28)	(6)	
Vol / Mix	10	2	
Performance	-	(2)	
Change	(18)	(6)	
2015	\$254	\$38	15.0%

Cash Metrics



Free Cash Flow	First Quarter		
	2015	2014	Change
(\$ in millions)			
Adjusted EBITDA	\$ 176	\$ 165	\$ 11
Working Capital*	(139)	(79)	(60)
Restructuring	(5)	(11)	6
Pension, Net	(5)	(2)	(3)
Interest, Net	(34)	(53)	19
Interest from Note**	-	40	(40)
Cash Taxes	(14)	(27)	13
Capital Spending***	(62)	(67)	5
Other	1	(2)	3
Free Cash Flow	\$ (82)	\$ (36)	\$ (46)

* Changes in working capital relating to interest, taxes, and restructuring are included in those respective categories

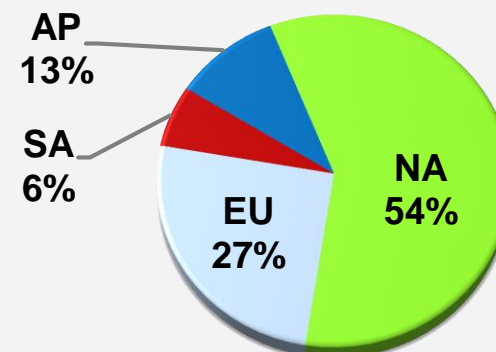
** Includes \$40 receipt of prior period interest on a note receivable classified as an operating cash flow in 2014

*** 2014 adjusted to conform with 2015 presentation that excludes unpaid capital spend

Cash, Debt & Liquidity

(\$ in millions)	Q1 2015
Total Cash*	\$ 1,050
Total Debt	1,625
Net Debt	\$ (575)
Liquidity**	\$ 1,414

Cash* by Region



* Includes marketable securities; cash and marketable securities also includes \$156 in a subsidiary where access is subject to approval of subsidiary's independent board member

** \$384 available under U.S. ABL facility

2015 Financial Targets



Key Financial Metrics

Key Financial Metrics	2015 Targets
Sales	\$6.3 – \$6.4 B
Adjusted EBITDA	\$740 – \$750 M
Margin	~11.7%
Diluted Adjusted EPS*	\$2.05 – \$2.15
Capital Spend	\$300 – \$320 M
Free Cash Flow	\$190 – \$220 M
Other Cash Flow Items	
Depreciation / Amortization	~\$190 M / ~\$20 M
Cash Taxes	~\$95 M
Net Interest	~\$90 M
Pension Funding, Net	~\$15 M
Cash Restructuring	~\$20 M

Summary

- ▶ Sales lowered for currency translation
- ▶ Market strength in NA offsetting volume headwinds in Brazil
- ▶ EBITDA range tightened
- ▶ Margin improved on performance
- ▶ Diluted Adj. EPS maintained
- ▶ Free Cash Flow maintained
- ▶ Currency adjustments:
 - ▶ Euro: 1.05 from 1.15
 - ▶ BRL: 3.00 from 2.50

Currency Assumptions

Euro / USD	1.05
CAD / USD	0.80
USD / BRL	3.00
USD / ARS	10.70
GBP / USD	1.51

Tax Assumptions

U.S. GAAP Rate	31%
Cash Tax Rate	22%
Adjusted EPS Rate	23%

*Calculated based on fully diluted outstanding shares of 166 million - excludes future impact of the share repurchase program



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Appendix

Global Vehicle Production Dana Forecasts (Units in 000s)



	2014 Actuals	2015 Outlook
North America		
Light Truck (Full Frame)	3,834	4,000 – 4,100
Light Vehicle Engines	15,079	15,100 – 15,500
Medium Truck (Class 5-7)	226	205 – 225
Heavy Truck (Class 8)	297	310 – 330
Agricultural Equipment	64	60 – 65
Construction/Mining Equipment	155	155 – 165
Europe (Incl. Eastern Europe)		
Light Trucks	7,792	7,700 – 8,000
Light Vehicle Engines	21,440	21,500 – 22,500
Medium/Heavy Truck	397	400 – 420
Agricultural Equipment	220	205 – 215
Construction/Mining Equipment	298	300 – 310
South America		
Light Trucks	1,147	1,000 – 1,110
Light Vehicle Engines	3,178	2,900 – 3,100
Medium/Heavy Truck	167	130 – 140
Agricultural Equipment	43	35 – 40
Construction/Mining Equipment	17	10 – 15
Asia Pacific		
Light Trucks	22,298	22,300 – 23,300
Light Vehicle Engines	46,589	48,000 – 49,000
Medium/Heavy Truck	1,574	1,500 – 1,600
Agricultural Equipment	710	710 – 725
Construction /Mining Equipment	509	500 – 525

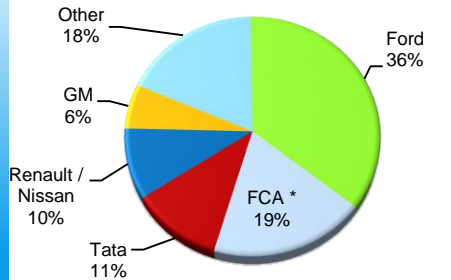
Segment Profiles



Customer Sales
Regional Sales
Performance

Light Vehicle Driveline

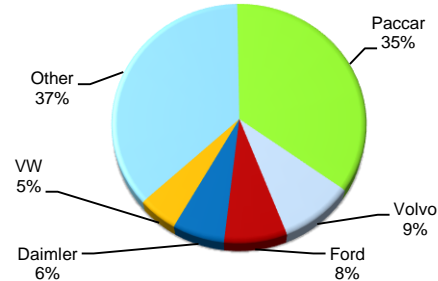
Year to Date 3/31/2015



* Includes sales to Hyundai Mobis for driveline products that support FCA vehicles

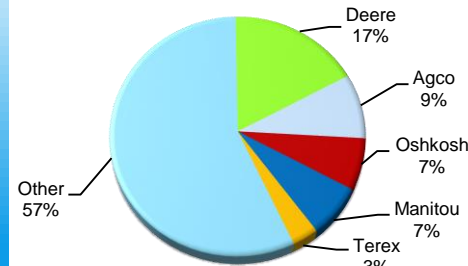
Commercial Vehicle Driveline

Year to Date 3/31/2015



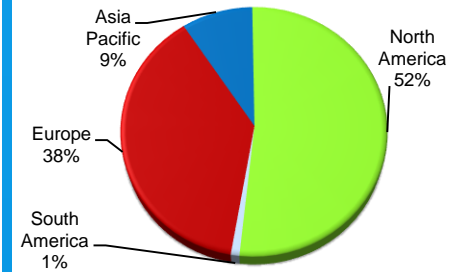
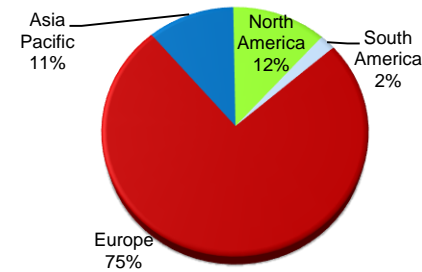
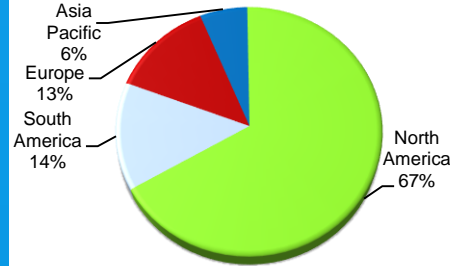
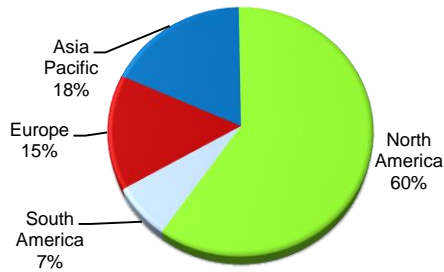
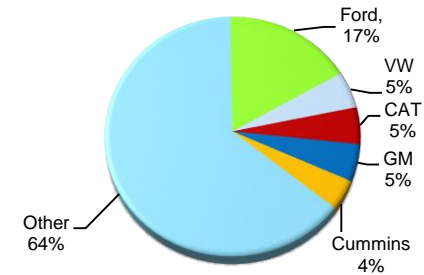
Off-Highway Driveline

Year to Date 3/31/2015



Power Technologies

Year to Date 3/31/2015



\$ Millions

	Q1	
	2015	2014
Sales	\$637	\$618
Segment EBITDA	\$64	\$30
EBITDA Margin	10.0%	4.9%

\$ Millions

	Q1	
	2015	2014
Sales	\$433	\$457
Segment EBITDA	\$35	\$44
EBITDA Margin	8.1%	9.6%

\$ Millions

	Q1	
	2015	2014
Sales	\$284	\$341
Segment EBITDA	\$39	\$42
EBITDA Margin	13.7%	12.3%

\$ Millions

	Q1	
	2015	2014
Sales	\$254	\$272
Segment EBITDA	\$38	\$44
EBITDA Margin	15.0%	16.2%

Diluted Adjusted EPS



DANA HOLDING CORPORATION
Diluted Adjusted EPS (Unaudited)
For the Three Months Ended March 31, 2015 and 2014

	Three Months Ended	
	March 31,	
	2015	2014
(In millions except per share amounts)		
Net income attributable to parent company	\$ 63	\$ 34
Restructuring charges (1)	1	9
Amortization of intangibles (1)	4	11
Non-recurring items (1):		
Noncontrolling interests adjustments	4	
Loss on extinguishment of debt	2	
Nonrecurring tax expense	8	
Other items	1	3
Adjusted net income	<u>\$ 83</u>	<u>\$ 57</u>
Diluted shares - as reported	<u>166</u>	<u>177</u>
Adjusted diluted shares	<u>166</u>	<u>177</u>
Diluted adjusted EPS	\$ 0.50	\$ 0.32

(1) Amounts are net of associated tax effect.

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



DANA HOLDING CORPORATION
Segment Sales & Segment EBITDA (Unaudited)
For the Three Months Ended March 31, 2015 and 2014

(In millions)	Three Months Ended	
	March 31,	
	2015	2014
Sales		
Light Vehicle	\$ 637	\$ 618
Commercial Vehicle	433	457
Off-Highway	284	341
Power Technologies	254	272
Total Sales	\$ 1,608	\$ 1,688
Segment EBITDA		
Light Vehicle	\$ 64	\$ 30
Commercial Vehicle	35	44
Off-Highway	39	42
Power Technologies	38	44
Total Segment EBITDA	176	160
Corporate expense and other items, net		5
Adjusted EBITDA	\$ 176	\$ 165

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

Segment Data (continued)



For the Three Months Ended March 31, 2015 and 2014

(In millions)	Three Months Ended	
	March 31,	
	2015	2014
Segment EBITDA	\$ 176	\$ 160
Corporate expense and other items, net		5
Adjusted EBITDA	176	165
Depreciation	(39)	(40)
Amortization of intangibles	(6)	(15)
Restructuring	(1)	(9)
Stock compensation expense	(3)	(4)
Strategic transaction expenses and other items	(1)	(1)
Gain on derecognition of noncontrolling interest	5	
Loss on extinguishment of debt	(2)	
Recognition of unrealized gain on payment-in-kind note receivable		2
Interest expense, net	(25)	(27)
Income from continuing operations before income taxes	104	71
Income tax expense	31	34
Equity in earnings of affiliates	1	1
Income from continuing operations	74	38
Loss from discontinued operations		(1)
Net income	\$ 74	\$ 37

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

Non-GAAP Financial Information



The preceding slides refer to Adjusted EBITDA, which we've defined to be earnings from continuing and discontinued operations before interest, taxes, depreciation, amortization, equity grant expense, restructuring expense and other nonrecurring items (gain/loss on debt extinguishment, pension settlements or divestitures, impairment, etc.). Adjusted EBITDA is a primary driver of cash flows from operations and a measure of our ability to maintain and continue to invest in our operations and provide shareholder returns. Adjusted EBITDA should not be considered a substitute for income (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.

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 attributable to the parent company excluding any nonrecurring income tax items, restructuring and impairment expense, amortization expense and other nonrecurring items (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, 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.

Please reference the "Non-GAAP financial information" accompanying our quarterly earnings conference call presentations on our website at www.dana.com/investors for our GAAP results and the reconciliations of these measures, where used, to the comparable GAAP measures.