

**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): April 27, 2022

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

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)

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on which Registered
Common Stock, \$.01 par value	DAN	New York Stock Exchange

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.

Items 2.02 and 7.01 Results of Operations and Financial Condition and Regulation FD Disclosure

Dana Incorporated today issued a news release announcing its results for the quarter ended March 31, 2022. A copy of the press release is attached hereto as Exhibit 99.1.

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 item is furnished with this report.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Dana Incorporated Press Release dated April 27, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL)

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: April 27, 2022

By: /s/ Douglas H. Liedberg
Name: Douglas H. Liedberg
Title: Senior Vice President, General Counsel
and Secretary

News Release



IMMEDIATE

Dana Incorporated Reports 2022 First-quarter Financial Results

Key Highlights

- Sales of \$2.48 billion, an increase of \$217 million
- Net income attributable to Dana of \$17 million
- Diluted EPS of \$0.12
- Adjusted net income attributable to Dana of \$23 million
- Adjusted EBITDA of \$170 million
- Diluted adjusted EPS of \$0.16
- Repurchased approximately 1.5 million shares of common stock during the first quarter of 2022

MAUMEE, Ohio, April 27, 2022 – Dana Incorporated (NYSE: DAN) today announced financial results for the first quarter of 2022.

“Dana saw continued sales growth in the first quarter despite record inflation, rising commodity costs, and ongoing global supply-chain disruptions,” said James Kamsickas, Dana chairman and CEO. “As the entire mobility industry navigates soaring costs and geopolitical unrest that is greatly impacting the energy and transportation sectors, Dana continues to actively manage through these cost pressures as well as navigate through erratic and short notice customer demand changes. We continue to innovate and launch new products and deliver on our \$400 million of new business sales backlog that is coming online this year.”

First-quarter 2022 Financial Results

Sales for the first quarter of 2022 totaled \$2.48 billion, compared with \$2.26 billion in the same period of 2021, representing a \$217 million improvement driven by strong customer demand in our heavy-vehicle markets and the recovery of commodity costs and inflation.

Adjusted EBITDA for the first quarter of 2022 was \$170 million, compared with \$234 million for the same period in 2021. Profit conversion on higher sales in the first quarter of 2022 was tempered by increased input costs and operational inefficiencies, primarily attributable to continued global supply-chain disruptions.

Adjusted net income attributable to Dana and diluted adjusted earnings per share were \$23 million and \$0.16 for the first quarter of 2022, compared with \$97 million and \$0.66 in the prior year.

Operating cash flow in the first quarter of 2022 was a use of \$121 million, compared with operating cash flow of \$27 million in the same period of 2021.

Free cash flow was a use of \$237 million, compared with a use of \$26 million in the first quarter of 2021. The higher free cash flow use in this year’s first quarter was driven by lower earnings, higher working capital requirements, and elevated capital investment in support of awarded new business.

“External factors continue to pressure our margins and free cash flow as rapid inflation of energy, services, and labor are further driving up costs,” said Timothy Kraus, Dana senior vice president and chief financial officer. “While we see some improvement late this year, we anticipate these factors will remain a profit headwind. We have adjusted our financial targets to better reflect the conditions across the mobility markets and continue to aggressively work to mitigate the impact of these challenges and position ourselves to capitalize on strong end-market demand and low vehicle inventories once the global environment stabilizes.”

2022 Revised Financial Targets¹

- Sales of \$9.850 to \$10.350 billion;
- Adjusted EBITDA of \$770 to \$870 million, an implied adjusted EBITDA margin of approximately 8.1 percent at the midpoint of the range;
- Diluted adjusted EPS of \$1.05 to \$1.55;
- Operating cash flow of approximately 5.9 to 6.5 percent of sales; and
- Free cash flow of approximately 1.9 to 2.3 percent of sales.

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

Dana to Host Conference Call at 9 a.m. Wednesday, April 27

Dana will discuss its first-quarter results in a conference call at 9 a.m. EDT on Wednesday, April 27. Participants may listen to the audio portion of the conference call either through audio streaming online or by telephone. Slide viewing is available online via a link provided on the Dana investor website: www.dana.com/investors. U.S. and Canadian locations should dial 1-888-311-4590 and international locations should call 1-706-758-0054. Please enter conference I.D. 2565879 and ask for "Dana Incorporated's Financial Webcast and Conference Call." Phone registration will be available beginning at 8:30 a.m. EDT.

An audio recording of the webcast will be available after 5 p.m. EDT on April 27 by dialing 1-855-859-2056 (U.S. or Canada) or 1-404-537-3406 (international) and entering conference I.D. 2565879. A webcast replay will also be available after 5 p.m. EDT and may be accessed via Dana's investor website.

Non-GAAP Financial Information

This release refers to adjusted EBITDA, a non-GAAP financial measure which we have defined as net income 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 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 charges, 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 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 voluntary 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 under GAAP. Free cash flow and adjusted free cash flow may not be comparable to similarly titled measures reported by other companies.

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

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 for our GAAP results and the reconciliations of these measures, were 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,” and 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 leader in the design and manufacture of highly efficient propulsion and energy-management solutions that power vehicles and machines in all mobility markets across the globe. The company is shaping sustainable progress through its conventional and clean-energy solutions that support nearly every vehicle manufacturer with drive and motion systems; electrodynamic technologies, including software and controls; and thermal, sealing, and digital solutions.

Based in Maumee, Ohio, USA, the company reported sales of \$8.9 billion in 2021 with 40,000 people in 31 countries across six continents. Founded in 1904, Dana was named one of “America’s Most Responsible Companies 2022” by Newsweek for its emphasis on sustainability and social responsibility. The company is driven by a high-performance culture that focuses on valuing others, inspiring innovation, growing responsibly, and winning together, earning it global recognition as a top employer. Learn more at dana.com.

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DANA INCORPORATED
Consolidated Statement of Operations (Unaudited)
For the Three Months Ended March 31, 2022 and 2021

(In millions, except per share amounts)	Three Months Ended	
	March 31,	
	2022	2021
Net sales	\$ 2,480	\$ 2,263
Costs and expenses		
Cost of sales	2,283	2,012
Selling, general and administrative expenses	130	119
Amortization of intangibles	4	4
Restructuring charges, net	(1)	1
Other income (expense), net	2	(19)
Earnings before interest and income taxes	66	108
Interest income	2	2
Interest expense	31	34
Earnings before income taxes	37	76
Income tax expense	18	22
Equity in earnings of affiliates	1	14
Net income	20	68
Less: Noncontrolling interests net income	4	1
Less: Redeemable noncontrolling interests net loss	(1)	(4)
Net income attributable to the parent company	\$ 17	\$ 71
Net income per share available to common stockholders		
Basic	\$ 0.12	\$ 0.49
Diluted	\$ 0.12	\$ 0.48
Weighted-average shares outstanding - Basic	144.2	144.9
Weighted-average shares outstanding - Diluted	145.3	146.4

DANA INCORPORATED
Consolidated Statement of Comprehensive Income (Unaudited)
For the Three Months Ended March 31, 2022 and 2021

(In millions)	Three Months Ended	
	2022	2021
	March 31,	
Net income	\$ 20	\$ 68
Other comprehensive income (loss), net of tax:		
Currency translation adjustments	39	(5)
Hedging gains and losses	(4)	(17)
Defined benefit plans	1	3
Other comprehensive income (loss)	36	(19)
Total comprehensive income	56	49
Less: Comprehensive (income) loss attributable to noncontrolling interests	(4)	1
Less: Comprehensive loss attributable to redeemable noncontrolling interests	1	3
Comprehensive income attributable to the parent company	<u>\$ 53</u>	<u>\$ 53</u>

DANA INCORPORATED
Consolidated Balance Sheet (Unaudited)
As of March 31, 2022 and December 31, 2021

(In millions, except share and per share amounts)	March 31, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 259	\$ 268
Marketable securities	19	17
Accounts receivable		
Trade, less allowance for doubtful accounts of \$7 in 2022 and \$7 in 2021	1,625	1,321
Other	250	220
Inventories	1,631	1,564
Other current assets	210	196
Total current assets	3,994	3,586
Goodwill	479	482
Intangibles	225	233
Deferred tax assets	603	580
Other noncurrent assets	128	131
Investments in affiliates	175	174
Operating lease assets	244	247
Property, plant and equipment, net	2,205	2,199
Total assets	\$ 8,053	\$ 7,632
Liabilities and equity		
Current liabilities		
Short-term debt	\$ 301	\$ 23
Current portion of long-term debt	8	8
Accounts payable	1,717	1,571
Accrued payroll and employee benefits	207	184
Taxes on income	55	41
Current portion of operating lease liabilities	39	43
Other accrued liabilities	293	304
Total current liabilities	2,620	2,174
Long-term debt, less debt issuance costs of \$25 in 2022 and \$26 in 2021	2,376	2,386
Noncurrent operating lease liabilities	211	209
Pension and postretirement obligations	390	398
Other noncurrent liabilities	269	292
Total liabilities	5,866	5,459
Commitments and contingencies		
Redeemable noncontrolling interests	200	198
Parent company stockholders' equity		
Preferred stock, 50,000,000 shares authorized, \$0.01 par value, no shares outstanding	—	—
Common stock, 450,000,000 shares authorized, \$0.01 par value, 143,334,271 and 144,238,660 shares outstanding	2	2
Additional paid-in capital	2,431	2,427
Retained earnings	664	662
Treasury stock, at cost (13,466,902 and 11,661,591 shares)	(216)	(184)
Accumulated other comprehensive loss	(949)	(985)
Total parent company stockholders' equity	1,932	1,922
Noncontrolling interests	55	53
Total equity	1,987	1,975
Total liabilities, redeemable noncontrolling interests and equity	\$ 8,053	\$ 7,632

DANA INCORPORATED
Consolidated Statement of Cash Flows (Unaudited)
For the Three Months Ended March 31, 2022 and 2021

(In millions)	Three Months Ended	
	March 31,	
	2022	2021
Operating activities		
Net income	\$ 20	\$ 68
Depreciation	91	88
Amortization	6	7
Amortization of deferred financing charges	1	2
Earnings of affiliates, net of dividends received	(1)	(14)
Stock compensation expense	4	5
Deferred income taxes	(25)	(6)
Pension expense, net	(1)	
Change in working capital	(211)	(133)
Other, net	(5)	10
Net cash provided by (used in) operating activities	(121)	27
Investing activities		
Purchases of property, plant and equipment	(116)	(53)
Acquisition of businesses, net of cash acquired		(17)
Purchases of marketable securities	(5)	(11)
Proceeds from sales and maturities of marketable securities	2	6
Other, net	2	2
Net cash used in investing activities	(117)	(73)
Financing activities		
Net change in short-term debt	278	(1)
Proceeds from long-term debt	2	2
Repayment of long-term debt	(3)	(1)
Deferred financing payments		(2)
Dividends paid to common stockholders	(14)	(14)
Distributions to noncontrolling interests	(1)	
Contributions from redeemable noncontrolling interests	2	1
Payments to acquire noncontrolling interests	(3)	
Repurchases of common stock	(25)	
Other, net	(7)	(1)
Net cash provided by (used in) financing activities	229	(16)
Net decrease in cash, cash equivalents and restricted cash	(9)	(62)
Cash, cash equivalents and restricted cash - beginning of period	287	567
Effect of exchange rate changes on cash balances	2	(12)
Cash, cash equivalents and restricted cash - end of period	\$ 280	\$ 493

DANA INCORPORATED
Reconciliation of Net Cash Provided By (Used In) Operating Activities to
Free Cash Flow and Adjusted Free Cash Flow (Unaudited)

(In millions)	Three Months Ended	
	March 31,	
	2022	2021
Net cash provided by (used in) operating activities	\$ (121)	\$ 27
Purchase of property, plant and equipment	(116)	(53)
Free cash flow	(237)	(26)
Discretionary pension contributions		
Adjusted free cash flow	\$ (237)	\$ (26)

DANA INCORPORATED
Segment Sales and Segment EBITDA (Unaudited)
For the Three Months Ended March 31, 2022 and 2021

(In millions)	Three Months Ended	
	March 31,	
	2022	2021
Sales		
Light Vehicle	\$ 985	\$ 991
Commercial Vehicle	463	349
Off-Highway	744	635
Power Technologies	288	288
Total Sales	<u>\$2,480</u>	<u>\$ 2,263</u>
Segment EBITDA		
Light Vehicle	\$ 31	\$ 100
Commercial Vehicle	10	15
Off-Highway	100	79
Power Technologies	29	41
Total Segment EBITDA	170	235
Corporate expense and other items, net		(1)
Adjusted EBITDA	<u>\$ 170</u>	<u>\$ 234</u>

DANA INCORPORATED
Reconciliation of Segment and Adjusted EBITDA to Net Income (Unaudited)
For the Three Months Ended March 31, 2022 and 2021

(In millions)	Three Months Ended	
	March 31,	
	2022	2021
Segment EBITDA	\$ 170	\$ 235
Corporate expense and other items, net		(1)
Adjusted EBITDA	170	234
Depreciation	(91)	(88)
Amortization	(6)	(7)
Non-service cost components of pension and OPEB costs		(2)
Restructuring charges, net	1	(1)
Stock compensation expense	(4)	(5)
Strategic transaction expenses	(4)	(3)
Loss on investment in Hylion		(17)
Loss on disposal group held for sale		(7)
Other items		4
Earnings before interest and income taxes	66	108
Interest income	2	2
Interest expense	31	34
Earnings before income taxes	37	76
Income tax expense	18	22
Equity in earnings of affiliates	1	14
Net income	\$ 20	\$ 68

DANA INCORPORATED
Reconciliation of Net Income (Loss) Attributable to the Parent Company to
Adjusted Net Income (Loss) Attributable to the Parent Company and
Diluted Adjusted EPS (Unaudited)
For the Three Months Ended March 31, 2022 and 2021

	Three Months Ended	
	March 31,	
(In millions, except per share amounts)	2022	2021
Net income attributable to parent company	\$ 17	\$ 71
Items impacting income before income taxes:		
Amortization	5	5
Restructuring charges, net	(1)	1
Strategic transaction expenses	2	3
Loss on investment in Hyliion		17
Loss on disposal group held for sale		5
Other items	2	
Items impacting income taxes:		
Net income tax expense on items above	(2)	(6)
Income tax expense attributable to various discrete tax matters		1
Adjusted net income attributable to the parent	<u>\$ 23</u>	<u>\$ 97</u>
Diluted shares - as reported	145.3	146.4
Adjusted diluted shares	145.3	146.4
Diluted adjusted EPS	\$ 0.16	\$ 0.66



2022 First-quarter Earnings Conference Call

April 27, 2022




1904

Today

People Finding A Better Way[®]


A-5650.
SPICER MANUFACTURING CO.
 (A holding and operating corporation, organized under the laws of the State of New York, with paid-up capital of \$1,000,000.)
 EIGHT PER CENT. CUMULATIVE PREFERRED COMMON STOCK
 (Without nominal or par value)

Spicer Manufacturing Corporation (hereinafter referred to as the Corporation) has listed on the New York Stock Exchange:



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 negative 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 contained in our Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, and our Current Reports on Form 8-K, and other Securities and Exchange Commission filings. We 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 statement. Dana does not undertake any obligation to revise or update publicly any forward-looking statement for any reason.



Agenda



- **Introduction**

Craig Barber
*Senior Director, Investment
and Strategic Planning*

- **Business Review**

James Kamsickas
*Chairman and
Chief Executive Officer*

- **Financial Review**

Timothy Kraus
*Senior Vice President
and Chief Financial Officer*

Business Highlights: 2022 First Quarter

Financial Results

sales

\$2.5 billion

↑ \$217M from prior year

adjusted EBITDA

\$170 million

↓ \$64M from prior year

free cash flow

\$(237) million

↓ \$211M from prior year

diluted adjusted EPS

\$0.16

↓ 50¢ from prior year

Key Items

- Cost Inflation and Erratic Demand
- Industry Recognition
- Customer Highlights and Awards
- Leveraging EV Tech for Social Impact

Electrification.
Delivered.TM



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

Market Conditions

Light-duty Market



- End-market demand remains strong; vehicle inventories low
- OEM production disruptions continue; driven by supply chain constraints
- Preparing for significant new program launches

Heavy-duty Markets



- Strong market demand driving sales growth
- Second-half NA class 8 volume expected to increase
- Substantial new EV product and launch readiness



- Market demand remains strong
- Minimal customer cancellations resulting from
- Off-highway electric powertrains advancing in key

Inflation and commodity cost increases accelerating during this period of volatility

Industry Recognition



30th annual
**supplier
of the year**

2021 Overdrive Award



PACCAR

2021 North American Supplier
Performance Management
(SPM) Achiever Award

2021 10 Parts Per Million
(PPM) Quality Award



JOHN DEERE
Achieving Excellence
Partner Level

Innovation and Technological Leadership



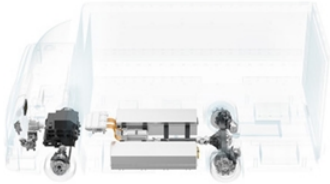
Dana Leads *Automotive News* PACE Award Nomination List with Five Electrification Innovations



PACE Award Finalists

PACEpilot Award

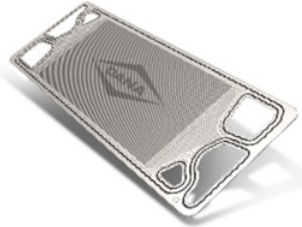
Complete vehicle integration for e-Propulsion and e-Power systems



Dana TM4™ high-performance inverter



Metallic bipolar plates for fuel cell stacks



Electric rigid beam axle



Co

Commercial Vehicle: Med-Duty Top Truck



2022 Ford® F-650/F-750



5/1

2022 Mec



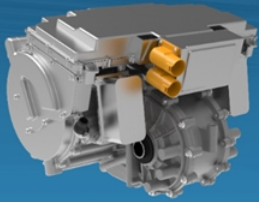
Spicer® driveline technologies:

- Spicer® S140 and Dana 060 Series drive axles
- D- and E-Series front steer axles
- SPL® 100 and SPL® 140 Series driveshafts



Dana has supplied the driveline for 9 of the last 10 winners

Light Vehicle: Electrification New Business Win



Dana vertically integrated complete e-Propulsion system

>3x content per vehicle vs. traditional ICE program

Electrification. **Delivered.**[™]



Dana selected as electrification partner with major light-vehicle O

Off-Highway: EV Growth Transformation



Transformational EV growth in new markets and increased content per v

Sustainable Social Impact



e-

DANA



Financial Review

People Finding A Better Way®



2022 Q1 Financial Results

- Sales growth primarily due to demand recovery in the heavy-vehicle markets and recovery of commodity cost inflation
- Profit conversion on higher sales limited by inflation and commodity cost increases, as well as inefficiencies driven by customer supply chain constraints
- Lower FCF attributed to lower profits, higher working capital requirements, and higher capital expenditures

Changes from Prior Year

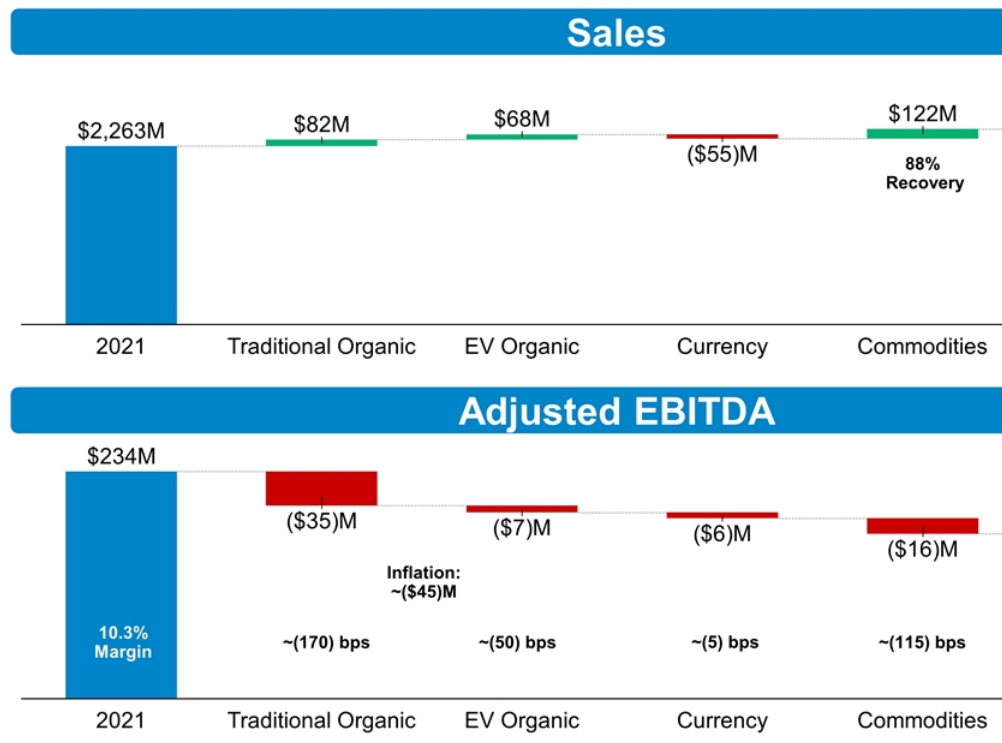
(\$ in millions except EPS)

	<u>Q1 '22</u>	<u>Q1 '21</u>	
Sales	\$ 2,480	\$ 2,263	\$
Adjusted EBITDA	170	234	
Margin	6.9%	10.3%	
EBIT	66	108	
Interest Expense, Net	29	32	
Income Tax Expense	18	22	
Net Income (attributable to Dana)	17	71	
Adjusted Net Income (attributable to Dana)	23	97	
Diluted Adjusted EPS	\$ 0.16	\$ 0.66	\$
Operating Cash Flow	(121)	27	
Capital Spending	116	53	
Free Cash Flow	(237)	(26)	

Inflationary environment compressing margin

2022 Q1 Sales and Profit Changes

- Organic growth driven by continued rebound in heavy-vehicle markets and cost recoveries, including commodities and inflationary costs
- Net cost inflation of ~\$45 million and operational inefficiencies driving negative organic conversion
- Investment in growing EV business offsetting profit contribution from early low-volume programs
- Translation of foreign currency to U.S. dollars, primarily the euro, reduced sales and was a minor headwind to margin
- While substantial commodity recoveries increased sales, higher raw material cost lowered profit



Improving demand and recoveries increased sales while cost inflation and currency

2022 Q1 Free Cash Flow

- Cash flow use driven by lower earnings, higher working capital requirements, and higher capital investment
- Higher cash interest in this year's Q1 due to revised timing of payments
- Timing of payments and jurisdictional mix driving higher cash taxes this year
- Increased working capital largely due to increased receivables driven by higher sales
- Higher capital spending to support new business backlog, replacement business, and electrification programs

Changes from Prior Year

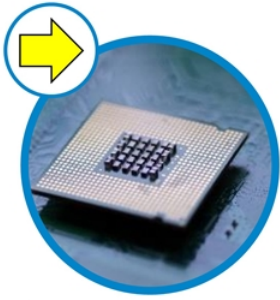
(\$ in millions)

	<u>Q1 '22</u>	<u>Q1 '21</u>	
Adjusted EBITDA	\$ 170	\$ 234	\$
One-time Costs¹	(5)	(8)	
Interest, net	(15)	(5)	
Taxes	(25)	(13)	
Working Capital / Other²	(246)	(181)	
Capital Spending	(116)	(53)	
Free Cash Flow	<u>\$ (237)</u>	<u>\$ (26)</u>	<u>\$</u>

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

Lower earnings, higher working capital requirements and capital investment d

2022 Market Dynamics Impact



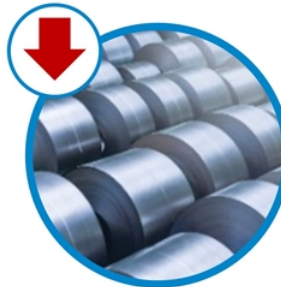
Semiconductor shortage



Transportation costs



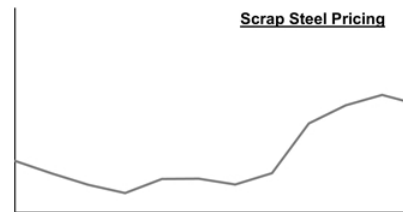
Economics



Commodity costs

Legend: = 2022 Market Impact to Dana

- OEM production disruptions caused by semiconductor shortages are likely to continue through the first half of the year
- Transportation costs have continued to increase and are expected to remain elevated through the first half of the year
- Rapid cost inflation for energy and labor experienced in the first half of the year is expected to remain elevated through the first half of the year
- Commodity costs no longer expected to moderate this year

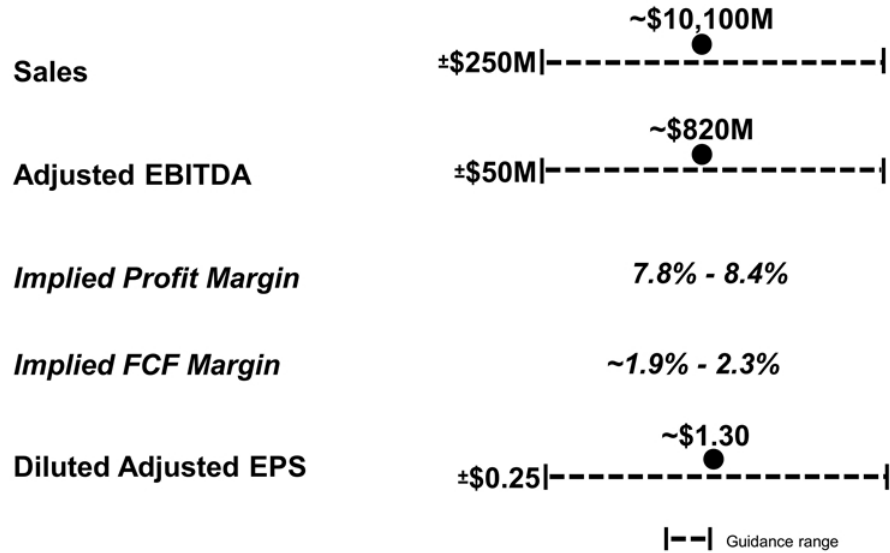


Volume rebound continues but margin pressures expected to remain through the first half of the year

2022 FY Financial Guide

- Expecting sales growth supported by strong end-market demand and cost recovery actions
- Profit margin headwinds from elevated commodity and other input costs now expected to continue for the remainder of this year
- Free cash flow improvement over last year driven by lower inventory requirements as pandemic-era logistics and demand pattern disruptions stabilize late in the year
- Diluted adjusted EPS decline due to lower earnings, higher expected income taxes, and lower equity income

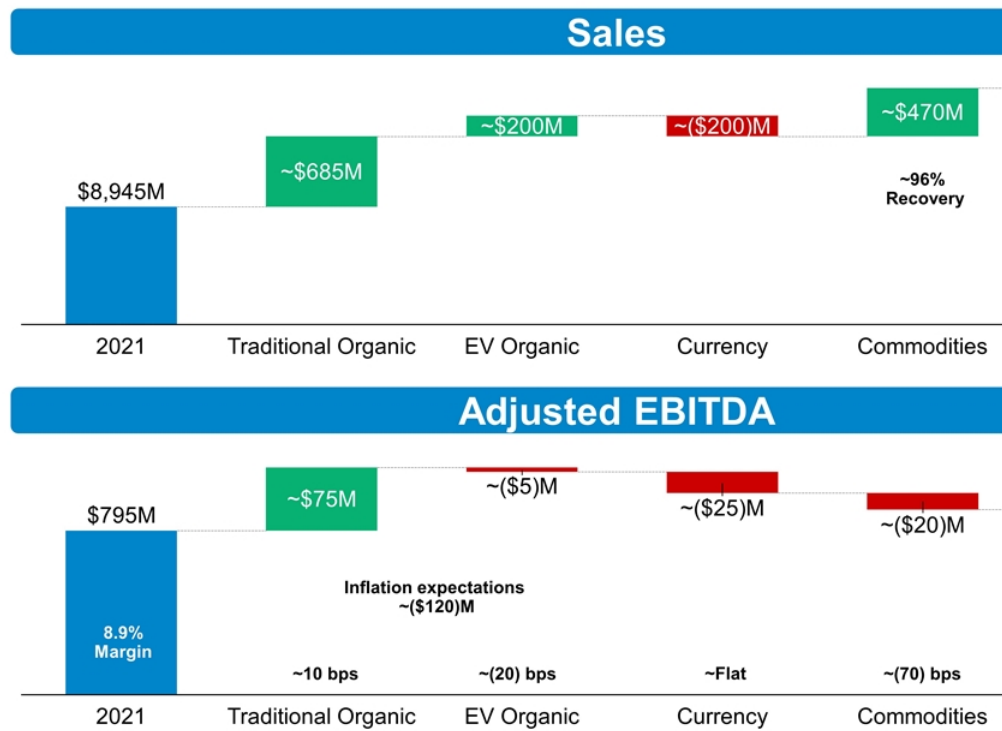
Guidance Ranges



Demand remains strong; higher commodities and cost inflation pressuring

2022 FY Sales and Profit Changes

- End-market growth driven by increased production in light vehicles and continued recovery in heavy-vehicle markets
- Net cost inflation of ~\$120 million in 2022, along with operational inefficiencies driving reduced organic conversion
- Continued inefficiencies driven by customer production disruptions, pressuring conversion
- EV growth driving higher investment, offsetting profit contribution from early low-volume programs
- Increasing commodity costs resulting in higher recoveries adding to sales while creating an additional \$50 million headwind to profit from prior outlook



Margin headwinds accelerating due to higher raw material cost and inf

2022 FY Free Cash Flow Outlook

- Free cash flow to improve as temporarily elevated inventory levels normalize
- Managing inventory requirements for uneven customer demand patterns
- Working with customers and suppliers to better align terms with market conditions

Changes from Prior Year

(\$ in millions)

	<u>2022T</u>	<u>2021A</u>	<u>Change</u>
Adjusted EBITDA	\$ ~820	\$ 795	\$ ~25
One-time Costs¹	~(15)	(31)	~16
Interest, net	~(100)	(101)	1
Taxes	~(155)	(99)	~(56)
Working Capital / Other²	~40	(406)	~446
Capital Spending	~(375)	(369)	~(6)
Free Cash Flow	\$ ~215	\$ (211)	\$ ~426

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

Lower working capital driving improved free cash flow

Outlook

2022 Guidance

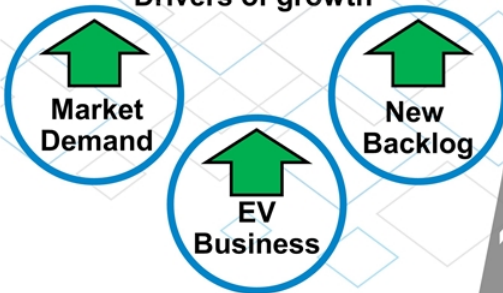
sales
~\$10.1
billion

~13%
increase
from prior year

Range: ±\$250M

Improving OEM production cadence and continued strong end-market demand, new business backlog, and cost recoveries driving sales increase

Drivers of growth



adjusted EBITDA
~\$820
million

~3%
increase
from prior year

Range: ±\$50M

margin
~8.1%

Range: ~7.8%-8.4% of sales

free cash flow
~\$215
million

~\$425M
increase
from prior year

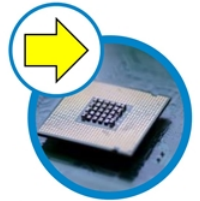
Range: ~1.9%-2.3% of sales

diluted adj. EPS
~\$1.30

~\$0.36
decrease
from prior year

±\$0.25

2022 Market



Semiconductor shortage improving

2022 Profit



Cost Inflation



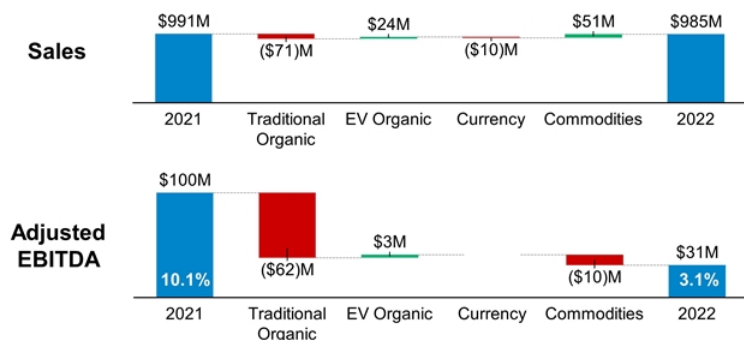
Commodity Costs

Appendix

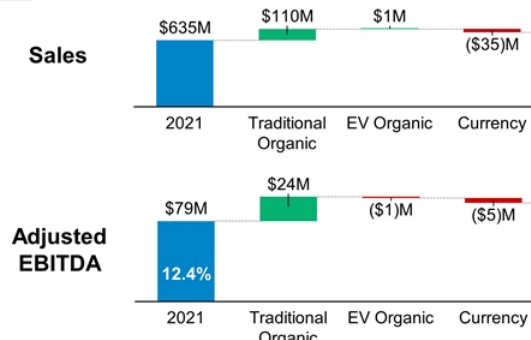
2022 Q1 Sales and Profit Change by Segme



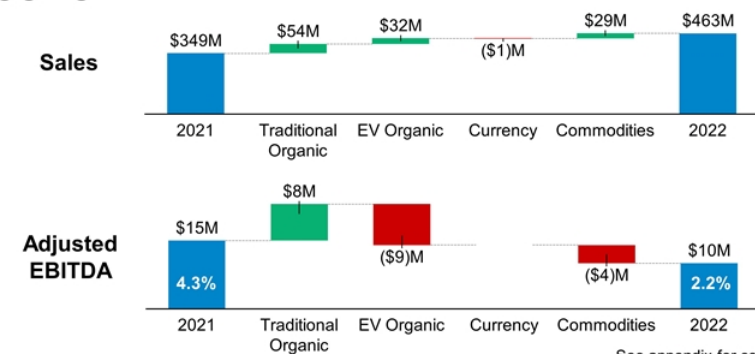
Light Vehicle Drive Systems



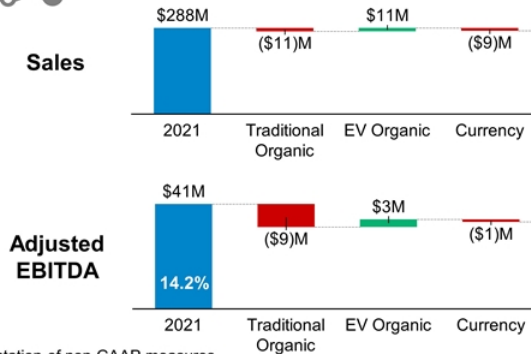
Off-Highway Drive and Moti



Commercial Vehicle Drive and Motion Systems



Power Technologi

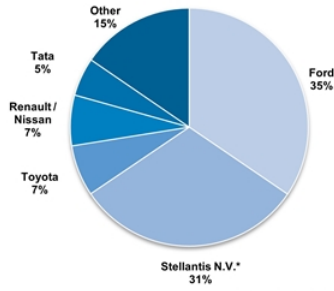


See appendix for comments regarding the presentation of non-GAAP measures

Segment Profiles

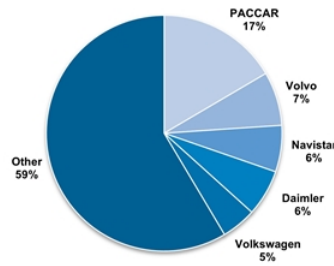
Customer Sales

Light Vehicle Drive Systems
Year to Date 3/31/2022

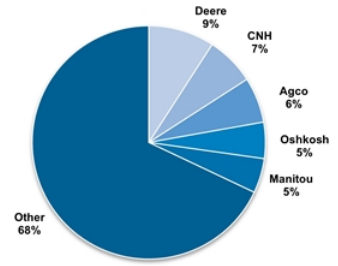


* Includes sales to system integrators for driveline products that support FCA vehicles

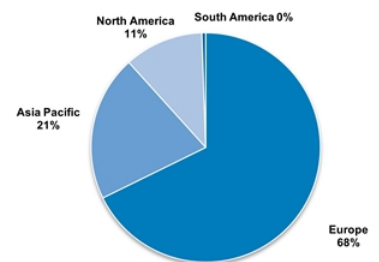
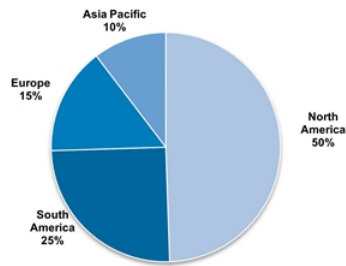
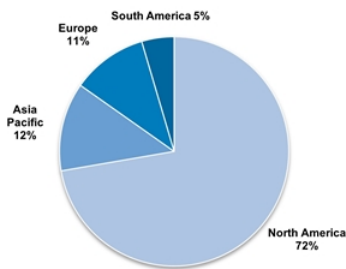
Commercial Vehicle Drive and Motion Systems
Year to Date 3/31/2022



Off-Highway Drive and Motion Systems
Year to Date 3/31/2022



Regional Sales



Other 61%

Europe 42%

Diluted Adjusted EPS

DANA INCORPORATED
Reconciliation of Net Income (Loss) Attributable to the Parent Company to
Adjusted Net Income (Loss) Attributable to the Parent Company and
Diluted Adjusted EPS (Unaudited)
For the Three Months Ended March 31, 2022 and 2021

(In millions, except per share amounts)

	Three Months Ended	
	March 31,	
	2022	2021
Net income attributable to parent company	\$ 17	\$ 71
Items impacting income before income taxes:		
Amortization	5	5
Restructuring charges, net	(1)	1
Strategic transaction expenses	2	3
Loss on investment in Hylion		17
Loss on disposal group held for sale		5
Other items	2	
Items impacting income taxes:		
Net income tax expense on items above	(2)	(6)
Income tax expense attributable to various discrete tax matters		1
Adjusted net income attributable to the parent	\$ 23	\$ 97
Diluted shares - as reported	145.3	146.4
Adjusted diluted shares	145.3	146.4
Diluted adjusted EPS	\$ 0.16	\$ 0.66

Segment Data

DANA INCORPORATED

Segment Sales and Segment EBITDA (Unaudited) For the Three Months Ended March 31, 2022 and 2021

(In millions)	Three Months Ended	
	March 31,	
	2022	2021
Sales		
Light Vehicle	\$ 985	\$ 991
Commercial Vehicle	463	349
Off-Highway	744	635
Power Technologies	288	288
Total Sales	\$ 2,480	\$ 2,263
Segment EBITDA		
Light Vehicle	\$ 31	\$ 100
Commercial Vehicle	10	15
Off-Highway	100	79
Power Technologies	29	41
Total Segment EBITDA	170	235
Corporate expense and other items, net		(1)
Adjusted EBITDA	\$ 170	\$ 234

DANA INCORPORATED

Reconciliation of Segment and Adjusted EBITDA to For the Three Months Ended March 31, 2022 and 20

(In millions)
Segment EBITDA
Corporate expense and other items, net
Adjusted EBITDA
Depreciation
Amortization
Non-service cost components of pension and OPEB costs
Restructuring charges, net
Stock compensation expense
Strategic transaction expenses
Loss on investment in Hylion
Loss on disposal group held for sale
Other items
Earnings before interest and income taxes
Interest income
Interest expense
Earnings before income taxes
Income tax expense
Equity in earnings of affiliates
Net income

Cash Flow

DANA INCORPORATED

Reconciliation of Net Cash Provided By (Used In) Operating Activities to Free Cash Flow and Adjusted Free Cash Flow (Unaudited)

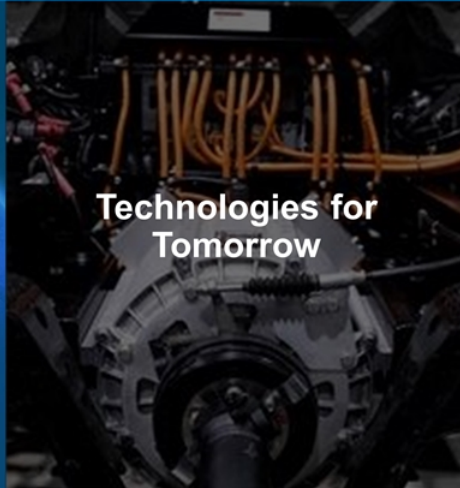
(In millions)	Three Months Ended	
	March 31,	
	2022	2021
Net cash provided by (used in) operating activities	\$ (121)	\$ 27
Purchase of property, plant and equipment	(116)	(53)
Free cash flow	(237)	(26)
Discretionary pension contributions		
Adjusted free cash flow	\$ (237)	\$ (26)



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Tomorrow**



**Balanced End-
Market Presence**



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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 expense, restructuring expense, non-service cost components of pension and other postretirement benefit costs and other adjustments not related to (gain/loss on debt extinguishment, pension settlements, divestitures, impairment, etc.). Adjusted EBITDA is a measure of our ability to maintain and conduct operations and provide shareholder returns. We use adjusted EBITDA in assessing the effectiveness of our business strategies, evaluating and pricing products and services and as a factor in making incentive compensation decisions. In addition to its use by management, we also believe adjusted EBITDA is a measure used by analysts, investors and others to evaluate financial performance of our company relative to other Tier 1 automotive suppliers. Adjusted EBITDA should not substitute for earnings (loss) before income taxes, net income (loss) or other results reported in accordance with GAAP. Adjusted EBITDA may not be directly 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 (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 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 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 pension contributions less purchases of property, plant and equipment. We believe these measures are useful to investors in evaluating the operating performance of our 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 measure to net cash provided by (used in) operating activities reported in accordance with GAAP. Free cash flow and adjusted free cash flow may not be directly 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 comparable GAAP measures calculated and presented in accordance with GAAP. We have not provided reconciliations of our adjusted EBITDA or adjusted free cash flow to the most comparable GAAP measures of net income and diluted EPS. Providing net income and diluted EPS guidance is potentially misleading given the difficulty of projecting event-driven transactional and other non-core operating items that are included in net income and diluted EPS, including asset impairments, and income tax valuation adjustments. Reconciliations of these non-GAAP measures with the most comparable GAAP measures are provided for indicative of the reconciliations that will be prepared upon completion of the periods covered by the non-GAAP guidance.