

## **DANA INCORPORATED**

### **Quarterly Financial Information and Reconciliations of Non-GAAP Financial Measures**

#### **Non-GAAP Financial Measures**

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

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

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

Free cash flow is a non-GAAP financial measure which we have defined as net cash provided by (used in) operating activities less purchases of property, plant and equipment. We believe free cash flow 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 not intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported in accordance with GAAP. Free cash flow may not be comparable to similarly titled measures reported by other companies.

The accompanying financial information provides reconciliations of adjusted EBITDA, diluted adjusted EPS and free cash flow to the most directly comparable financial measures calculated and presented in accordance with GAAP. We have not provided a reconciliation of our adjusted EBITDA and diluted adjusted EPS outlook to the most comparable GAAP measures of net income (loss) and diluted EPS. Providing net income (loss) 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 (loss) and diluted EPS, including restructuring actions, asset impairments and certain income tax adjustments. The accompanying reconciliations of these non-GAAP measures with the most comparable GAAP measures for the historical periods presented are indicative of the reconciliations that will be prepared upon completion of the periods covered by the non-GAAP guidance.

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

(In millions, except per share amounts)	Three Months Ended	
	December 31,	
	2022	2021
<b>Net sales</b>	\$ 2,555	\$ 2,273
Costs and expenses		
Cost of sales	2,375	2,145
Selling, general and administrative expenses	121	112
Amortization of intangibles	4	3
Restructuring charges, net	-	(2)
Other income (expense), net	7	65
Earnings before interest and income taxes	62	80
Loss on extinguishment of debt	-	(5)
Interest income	5	3
Interest expense	33	32
Earnings before income taxes	34	46
Income tax expense	217	16
Equity in earnings (loss) of affiliates	5	(1)
<b>Net income (loss)</b>	(178)	29
Less: Noncontrolling interests net income	4	5
Less: Redeemable noncontrolling interests net loss	(3)	(1)
<b>Net income (loss) attributable to the parent company</b>	<u>\$ (179)</u>	<u>\$ 25</u>
<b>Net income (loss) per share available to common stockholders</b>		
Basic	\$ (1.25)	\$ 0.18
Diluted	\$ (1.25)	\$ 0.18
Weighted-average shares outstanding - Basic	143.4	144.3
Weighted-average shares outstanding - Diluted	143.4	145.8

**DANA INCORPORATED**  
**Consolidated Statement of Operations**  
**For the Year Ended December 31, 2022 and 2021**

(In millions, except per share amounts)

	Year Ended	
	December 31,	
	2022	2021
<b>Net sales</b>	\$ 10,156	\$ 8,945
Costs and expenses		
Cost of sales	9,393	8,108
Selling, general and administrative expenses	495	460
Amortization of intangibles	14	14
Restructuring charges, net	(1)	
Impairment of goodwill	(191)	
Other income (expense), net	22	32
Earnings before interest and income taxes	86	395
Loss on extinguishment of debt		(29)
Interest income	11	9
Interest expense	128	131
Earnings (loss) before income taxes	(31)	244
Income tax expense	284	72
Equity in earnings of affiliates	4	28
<b>Net income (loss)</b>	(311)	200
Less: Noncontrolling interests net income	15	14
Less: Redeemable noncontrolling interests net loss	(84)	(11)
<b>Net income (loss) attributable to the parent company</b>	<u>\$ (242)</u>	<u>\$ 197</u>
<b>Net income (loss) per share available to common stockholders</b>		
Basic	\$ (1.69)	\$ 1.36
Diluted	\$ (1.69)	\$ 1.35
Weighted-average shares outstanding - Basic	143.6	144.8
Weighted-average shares outstanding - Diluted	143.6	146.2

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

(In millions)

	Three Months Ended December 31,	
	2022	2021
<b>Net income (loss)</b>	\$ (178)	\$ 29
Other comprehensive income (loss), net of tax:		
Currency translation adjustments	32	2
Hedging gains and losses	19	5
Defined benefit plans	48	42
Other comprehensive income	99	49
<b>Total comprehensive income (loss)</b>	(79)	78
Less: Comprehensive income attributable to noncontrolling interests	(4)	(4)
Less: Comprehensive (income) loss attributable to redeemable noncontrolling interests	(2)	1
<b>Comprehensive income (loss) attributable to the parent company</b>	<u>\$ (85)</u>	<u>\$ 75</u>

**DANA INCORPORATED**  
**Consolidated Statement of Comprehensive Income**  
**For the Year Ended December 31, 2022 and 2021**

(In millions)

	Year Ended	
	December 31,	
	2022	2021
<b>Net income (loss)</b>	\$ (311)	\$ 200
Other comprehensive income (loss), net of tax:		
Currency translation adjustments	(102)	(9)
Hedging gains and losses	17	(5)
Defined benefit plans	53	53
Other comprehensive income (loss)	(32)	39
<b>Total comprehensive income (loss)</b>	(343)	239
Less: Comprehensive income attributable to noncontrolling interests	(10)	(2)
Less: Comprehensive loss attributable to redeemable noncontrolling interests	95	1
<b>Comprehensive income (loss) attributable to the parent company</b>	<u>\$ (258)</u>	<u>\$ 238</u>

**DANA INCORPORATED**  
**Consolidated Balance Sheet**  
**As of December 31, 2022 and December 31, 2021**

(In millions, except share and per share amounts)

	December 31, 2022	December 31, 2021
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 425	\$ 268
Marketable securities		17
Accounts receivable		
Trade, less allowance for doubtful accounts of \$11 in 2022 and \$7 in 2021	1,374	1,321
Other	202	220
Inventories	1,609	1,564
Other current assets	219	196
<b>Total current assets</b>	<b>3,829</b>	<b>3,586</b>
Goodwill	259	482
Intangibles	201	233
Deferred tax assets	397	580
Other noncurrent assets	123	131
Investments in affiliates	136	174
Operating lease assets	311	247
Property, plant and equipment, net	2,193	2,199
<b>Total assets</b>	<b>\$ 7,449</b>	<b>\$ 7,632</b>
<b>Liabilities, redeemable noncontrolling interests and equity</b>		
Current liabilities		
Short-term debt	\$ 52	\$ 23
Current portion of long-term debt	8	8
Accounts payable	1,838	1,571
Accrued payroll and employee benefits	214	184
Taxes on income	54	41
Current portion of operating lease liabilities	36	43
Other accrued liabilities	277	304
<b>Total current liabilities</b>	<b>2,479</b>	<b>2,174</b>
Long-term debt, less debt issuance costs of \$22 in 2022 and \$26 in 2021	2,348	2,386
Noncurrent operating lease liabilities	277	209
Pension and postretirement obligations	298	398
Other noncurrent liabilities	249	292
<b>Total liabilities</b>	<b>5,651</b>	<b>5,459</b>
Commitments and contingencies		
Redeemable noncontrolling interests	195	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, 143,366,482 and 144,238,660 shares outstanding	2	2
Additional paid-in capital	2,229	2,427
Retained earnings	321	662
Treasury stock, at cost (zero and 11,661,591 shares)		(184)
Accumulated other comprehensive loss	(1,001)	(985)
Total parent company stockholders' equity	1,551	1,922
Noncontrolling interests	52	53
<b>Total equity</b>	<b>1,603</b>	<b>1,975</b>
<b>Total liabilities, redeemable noncontrolling interests and equity</b>	<b>\$ 7,449</b>	<b>\$ 7,632</b>

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

(In millions)	Three Months Ended	
	December 31,	
	2022	2021
<b>Operating activities</b>		
Net income (loss)	\$ (178)	\$ 29
Depreciation	95	93
Amortization	6	6
Amortization of deferred financing charges	1	1
Write-off of deferred financing costs		5
Earnings of affiliates, net of dividends received	(6)	1
Stock compensation expense	6	2
Deferred income taxes	208	(9)
Pension expense, net	(1)	(1)
Gain on sale leaseback		(66)
Change in working capital	220	46
Change in other noncurrent assets and liabilities	3	(1)
Other, net	(12)	33
<b>Net cash provided by operating activities</b>	<b>342</b>	<b>139</b>
<b>Investing activities</b>		
Purchases of property, plant and equipment	(140)	(141)
Proceeds from sale of property, plant and equipment	3	81
Purchases of marketable securities		(7)
Proceeds from maturities of marketable securities	12	8
Proceeds from sale of equity affiliate		29
Settlements of undesignated derivatives	(2)	(2)
Other, net	(2)	(1)
<b>Net cash used in investing activities</b>	<b>(129)</b>	<b>(33)</b>
<b>Financing activities</b>		
Net change in short-term debt	(179)	(46)
Proceeds from long-term debt		355
Repayment of long-term debt	(5)	(351)
Deferred financing payments		(5)
Dividends paid to common stockholders	(15)	(14)
Distributions to noncontrolling interests	(1)	(5)
Contributions from redeemable noncontrolling interests	21	8
Other, net	(1)	2
<b>Net cash used in financing activities</b>	<b>(180)</b>	<b>(56)</b>
<b>Net increase in cash, cash equivalents and restricted cash</b>	<b>33</b>	<b>50</b>
Cash, cash equivalents and restricted cash – beginning of period	390	239
Effect of exchange rate changes on cash balances	19	(2)
<b>Cash, cash equivalents and restricted cash – end of period</b>	<b>\$ 442</b>	<b>\$ 287</b>

**DANA INCORPORATED**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2022 and 2021**

(In millions)	Year Ended	
	December 31,	
	2022	2021
<b>Operating activities</b>		
Net income (loss)	\$ (311)	\$ 200
Depreciation	365	365
Amortization	23	24
Amortization of deferred financing charges	5	6
Redemption premium on debt		21
Write-off of deferred financing costs		8
Earnings of affiliates, net of dividends received	23	(10)
Stock compensation expense	19	17
Deferred income taxes	152	(1)
Pension expense, net	(1)	(1)
Gain on sale leaseback		(66)
Impairment of goodwill	191	
Change in working capital	199	(455)
Change in other noncurrent assets and liabilities	9	(3)
Other, net	(25)	53
<b>Net cash provided by operating activities</b>	<b>649</b>	<b>158</b>
<b>Investing activities</b>		
Purchases of property, plant and equipment	(440)	(369)
Proceeds from sale of property, plant and equipment	3	85
Acquisition of businesses, net of cash acquired	(1)	(18)
Investments in affiliates		(23)
Purchases of marketable securities	(15)	(32)
Proceeds from sales of marketable securities		30
Proceeds from maturities of marketable securities	30	35
Proceeds from sale of equity affiliate		29
Proceeds from sale of subsidiary, net of cash disposed		(4)
Settlement of terminated fixed-to-fixed cross currency swap		(22)
Settlements of undesignated derivatives	(8)	(4)
Other, net	5	
<b>Net cash used in investing activities</b>	<b>(426)</b>	<b>(293)</b>
<b>Financing activities</b>		
Net change in short-term debt	33	(3)
Proceeds from long-term debt	2	1,157
Repayment of long-term debt	(24)	(1,156)
Redemption premium on debt		(21)
Deferred financing payments		(18)
Dividends paid to common stockholders	(58)	(58)
Repurchases of common stock	(25)	(23)
Distributions to noncontrolling interests	(9)	(15)
Contributions from redeemable noncontrolling interests	51	14
Deconsolidation of non-wholly owned subsidiary		(6)
Payments to acquire noncontrolling interests	(4)	
Other, net	(8)	2
<b>Net cash used in financing activities</b>	<b>(42)</b>	<b>(127)</b>
<b>Net increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>181</b>	<b>(262)</b>
Cash, cash equivalents and restricted cash – beginning of period	287	567
Effect of exchange rate changes on cash balances	(26)	(18)
<b>Cash, cash equivalents and restricted cash – end of period</b>	<b>\$ 442</b>	<b>\$ 287</b>



**DANA INCORPORATED****Reconciliation of Net Cash Provided By Operating Activities to  
Free Cash Flow (Unaudited)**

(In millions)	Three Months Ended	
	December 31,	
	2022	2021
<b>Net cash provided by operating activities</b>	\$ 342	\$ 139
Purchase of property, plant and equipment	(140)	(141)
<b>Free cash flow</b>	<u>\$ 202</u>	<u>\$ (2)</u>

(In millions)	Year Ended	
	December 31,	
	2022	2021
<b>Net cash provided by operating activities</b>	\$ 649	\$ 158
Purchase of property, plant and equipment	(440)	(369)
<b>Free cash flow</b>	<u>\$ 209</u>	<u>\$ (211)</u>

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

(In millions)	Three Months Ended	
	December 31,	
	2022	2021
<b>Sales</b>		
Light Vehicle	\$ 1,030	\$ 974
Commercial Vehicle	504	400
Off-Highway	740	662
Power Technologies	281	237
<b>Total Sales</b>	<u>\$ 2,555</u>	<u>\$ 2,273</u>
<b>Segment EBITDA</b>		
Light Vehicle	\$ 34	\$ 33
Commercial Vehicle	5	(5)
Off-Highway	113	77
Power Technologies	23	12
<b>Total Segment EBITDA</b>	<u>175</u>	<u>117</u>
Corporate expense and other items, net	<u>1</u>	<u>1</u>
<b>Adjusted EBITDA</b>	<u>\$ 176</u>	<u>\$ 118</u>

**DANA INCORPORATED**  
**Segment Sales and Segment EBITDA**  
**For the Year Ended December 31, 2022 and 2021**

(In millions)	Year Ended	
	December 31,	
	2022	2021
<b>Sales</b>		
Light Vehicle	\$ 4,090	\$ 3,773
Commercial Vehicle	1,979	1,532
Off-Highway	2,946	2,593
Power Technologies	1,141	1,047
<b>Total Sales</b>	<u>\$ 10,156</u>	<u>\$ 8,945</u>
<b>Segment EBITDA</b>		
Light Vehicle	\$ 158	\$ 274
Commercial Vehicle	43	48
Off-Highway	404	353
Power Technologies	94	123
<b>Total Segment EBITDA</b>	<u>699</u>	<u>798</u>
Corporate expense and other items, net	<u>1</u>	<u>(3)</u>
<b>Adjusted EBITDA</b>	<u>\$ 700</u>	<u>\$ 795</u>

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

(In millions)	Three Months Ended	
	December 31,	
	2022	2021
<b>Segment EBITDA</b>	\$ 175	\$ 117
Corporate expense and other items, net	1	1
<b>Adjusted EBITDA</b>	176	118
Depreciation	(95)	(93)
Amortization	(6)	(6)
Non-service cost components of pension and OPEB costs	(4)	(3)
Restructuring charges, net		2
Stock compensation expense	(6)	(2)
Strategic transaction expenses	(2)	(2)
Amounts attributable to previously divested/closed operations	(2)	(1)
Gain on sale leaseback		66
Other items	1	1
Earnings before interest and income taxes	62	80
Loss on extinguishment of debt		(5)
Interest income	5	3
Interest expense	33	32
Earnings before income taxes	34	46
Income tax expense	217	16
Equity in earnings (loss) of affiliates	5	(1)
<b>Net income (loss)</b>	<b>\$ (178)</b>	<b>\$ 29</b>

**DANA INCORPORATED**  
**Reconciliation of Segment and Adjusted EBITDA to Net Income (Loss)**  
**For the Year Ended December 31, 2022 and 2021**

(In millions)	Year Ended	
	December 31,	
	2022	2021
<b>Segment EBITDA</b>	\$ 699	\$ 798
Corporate expense and other items, net	1	(3)
<b>Adjusted EBITDA</b>	700	795
Depreciation	(365)	(365)
Amortization	(23)	(24)
Non-service cost components of pension and OPEB costs	(7)	(10)
Restructuring charges, net	1	
Stock compensation expense	(19)	(17)
Strategic transaction expenses	(8)	(13)
Amounts attributable to previously divested/closed operations	(2)	(2)
Loss on investment in Hylion		(20)
Loss on disposal group held for sale		(7)
Loss on de-designation of fixed-to-fixed cross currency swaps		(9)
Gain on sale leaseback		66
Impairment of goodwill	(191)	
Other items		1
Earnings before interest and income taxes	86	395
Loss on extinguishment of debt		(29)
Interest income	11	9
Interest expense	128	131
Earnings (loss) before income taxes	(31)	244
Income tax expense	284	72
Equity in earnings of affiliates	4	28
<b>Net income (loss)</b>	<b>\$ (311)</b>	<b>\$ 200</b>

**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 December 31, 2022 and 2021**

(In millions, except per share amounts)

	Three Months Ended	
	December 31,	
	2022	2021
<b>Net income (loss) attributable to parent company</b>	\$ (179)	\$ 25
Items impacting income (loss) before income taxes:		
Amortization	5	5
Restructuring charges, net		(2)
Strategic transaction expenses	2	5
Loss on extinguishment of debt		5
Gain on sale leaseback		(66)
Other items		(2)
Items impacting income taxes:		
Net income tax expense on items above	2	14
Income tax expense attributable to various discrete tax matters	155	16
<b>Adjusted net income (loss) attributable to the parent</b>	<u>\$ (15)</u>	<u>\$ -</u>
Diluted shares - as reported	143.4	145.8
Adjusted diluted shares	143.4	145.8
<b>Diluted adjusted EPS</b>	\$ (0.10)	\$ -

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

(In millions, except per share amounts)

	Year Ended December 31,	
	2022	2021
<b>Net income (loss) attributable to parent company</b>	\$ (242)	\$ 197
Items impacting income (loss) before income taxes:		
Amortization	20	20
Restructuring charges, net	(1)	
Strategic transaction expenses	8	13
Loss on investment in Hylion		20
Loss on disposal group held for sale		7
Loss on extinguishment of debt		29
Loss on de-designation of fixed-to-fixed cross currency swaps		9
Gain on sale leaseback		(66)
Impairment of goodwill	118	
Other items	2	3
Items impacting income taxes:		
Net income tax benefit on items above	(8)	
Income tax expense attributable to various discrete tax matters	157	11
<b>Adjusted net income attributable to the parent</b>	<u>\$ 54</u>	<u>\$ 243</u>
Diluted shares - as reported	143.6	146.2
Adjusted diluted shares	144.3	146.2
<b>Diluted adjusted EPS</b>	\$ 0.37	\$ 1.66