



TM4 Acquisition

June 22, 2018





Safe Harbor Statement

Certain statements and projections contained in this presentation are, by their nature, forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current expectations, estimates and projections about our industry and business, management's beliefs, and certain assumptions made by us, all of which are subject to change. Forward-looking statements can often be identified by words such as "anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions, and variations or negatives of these words. These forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause our actual results to differ materially and adversely from those expressed in any forward-looking statement. Dana's Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other Securities and Exchange Commission filings discuss important risk factors that could affect our business, results of operations and financial condition. The forward-looking statements in this presentation speak only as of this date. Dana does not undertake any obligation to revise or update publicly any forward-looking statement for any reason.



Agenda



» *Transaction Overview* *Craig Barber*

*Senior Director,
Investor Relations and
Strategic Planning*

» *Acquisition Rationale* *James Kamsickas*

*President and
Chief Executive Officer*

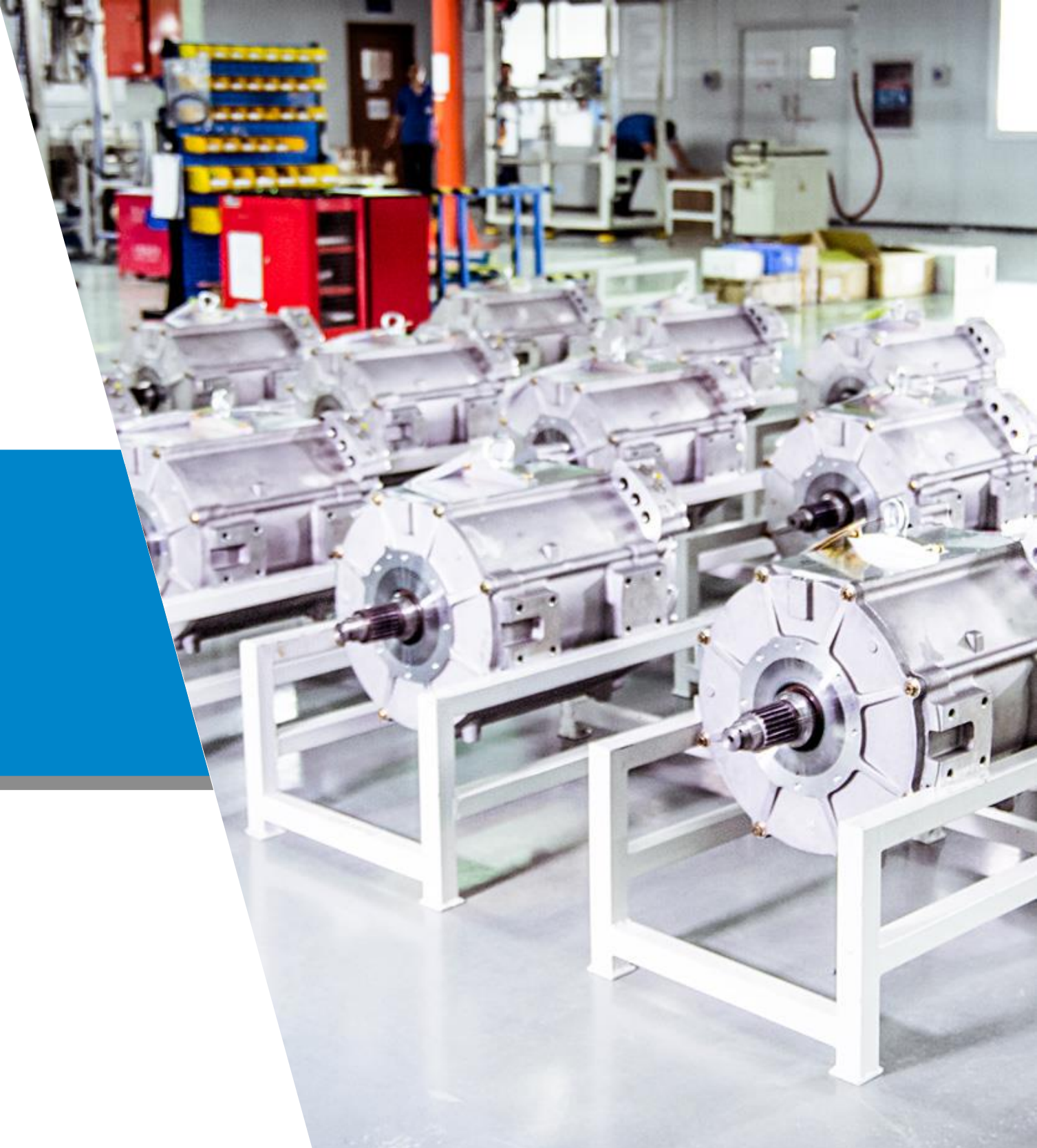
» *Electrification Growth
Opportunity* *Jonathan Collins*

*Executive Vice President
and Chief Financial Officer*





Acquisition Rationale





Acquisition Benefits



Provides in-house electro-dynamic components



Establishes e-Technology center of excellence

tm4



Delivers complete e-Drive systems capabilities



Enhances China new energy market presence





TM4 Snapshot

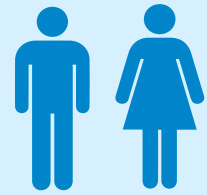


Headquartered in **Boucherville, Québec**



2018E Sales: **~\$75M**

Includes sales of non-consolidated JV



270 people

– including –



100 engineers

Includes non-consolidated JV



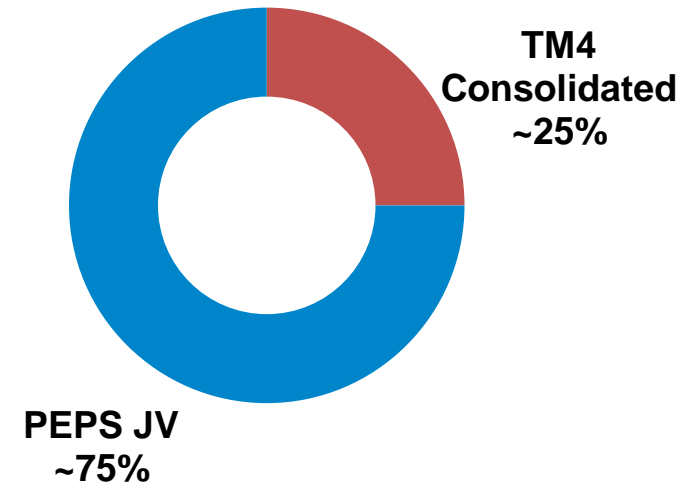
Founded in **1998**

Joint Venture in **Weifang, China**

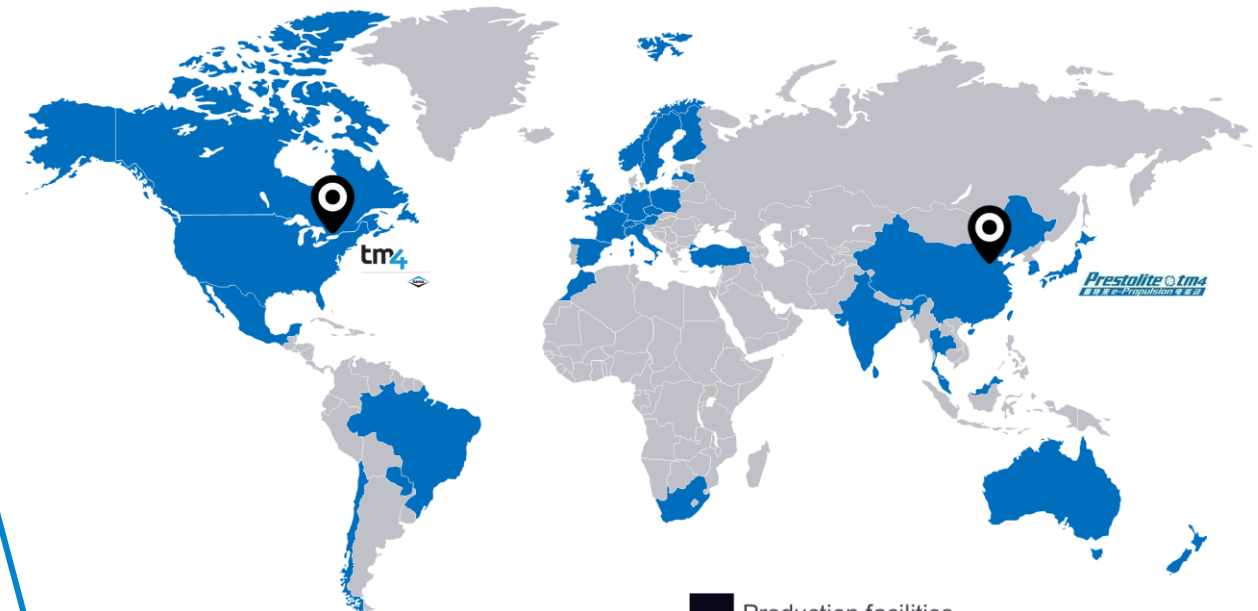
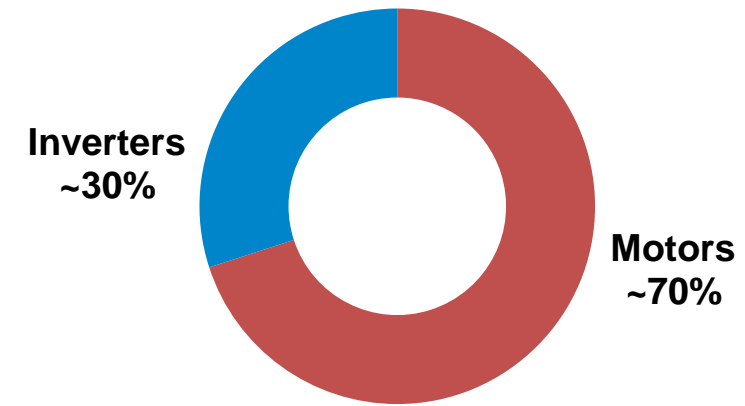
Manufacturing in Canada and China



Sales by Type



Sales by Product



TM4 Overview



Leader in Electro-Dynamic Components

- » Complete product line of electric drive motors, power inverters and controls
- » 20 years of expertise in EV propulsion; Millions of customer miles driven

e-Drive Components

Electric Drive Motors



- » Full line of electric drive motors for passenger cars, light trucks, commercial vehicles, and off-highway equipment
- » Uses high torque and power density permanent magnets to convert electrical energy into mechanical motion

Power Inverters & Controls

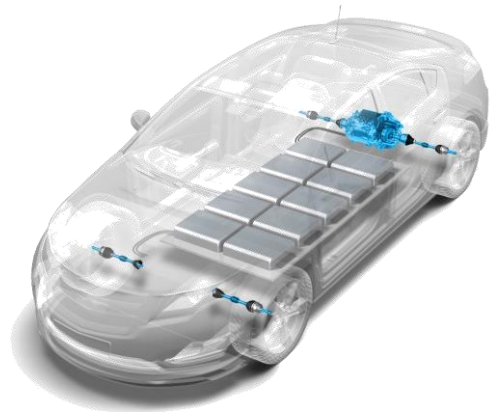


- » Complete line of inverters for all mobility markets
- » Supplies and manages electric power from the batteries to the powertrain
- » Features Reflex™ gate driver technology for high power and current densities
- » Control center responsible for the operation of electric and hybrid vehicles

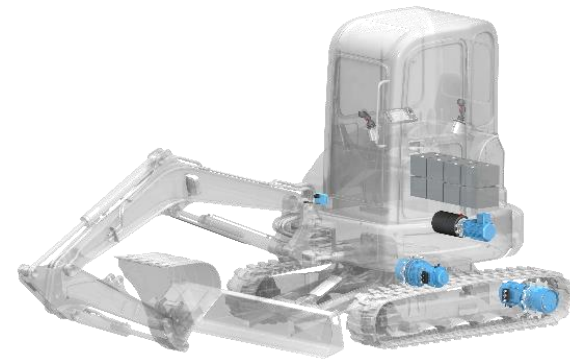




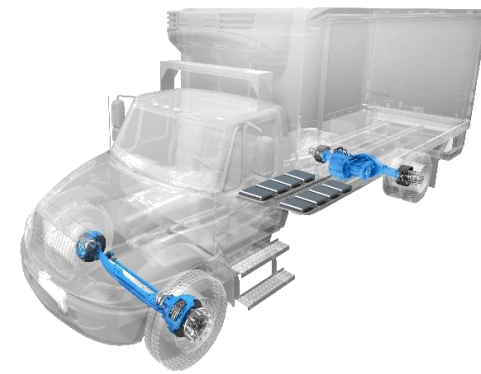
Full Range of Solutions for All Markets



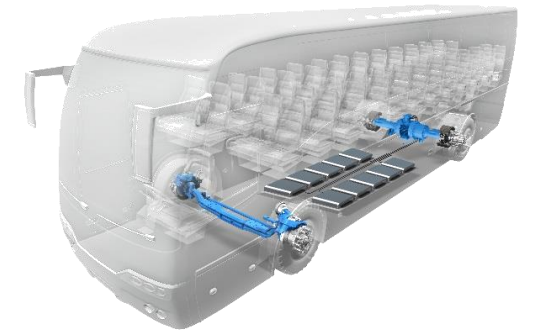
motive



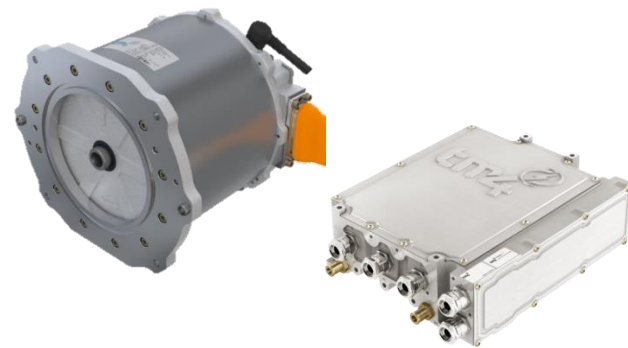
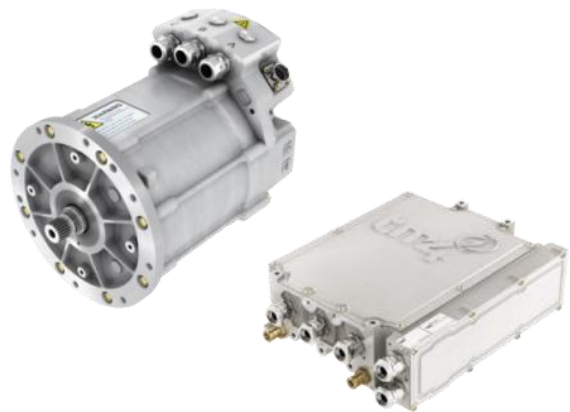
sumo LD



sumo MD



sumo HD



Torque Range





Proven Technology with Key Customers



WORKHORSE



FOTON



MEDATECH





Montréal Technology Center



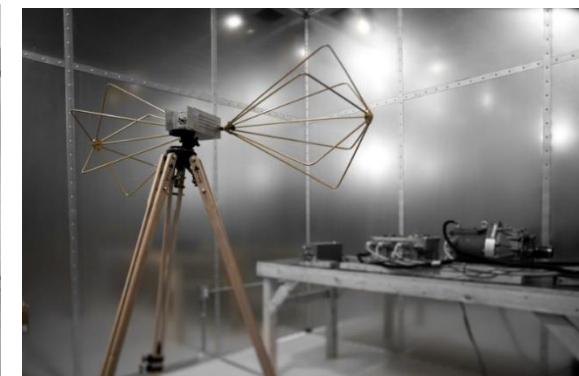
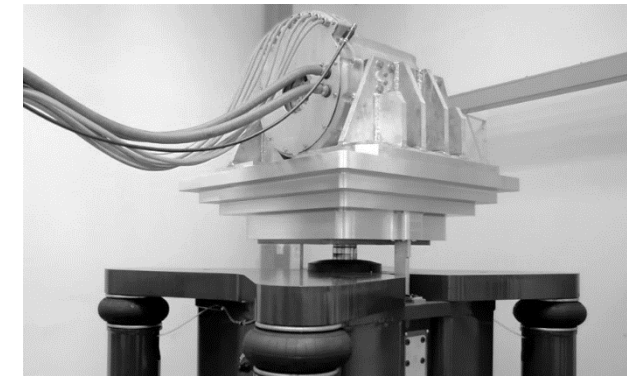
Center of Excellence

- » Located in Boucherville, Québec, Canada
- » 130 People
- » Leverages Québec's' strong EV culture and expertise
- » More than 60 patented innovations



Design and Testing Capabilities

- » Design of motors and power inverters
- » Packaging and system customization
- » Vehicle integration and turnkey solutions
- » Diagnostic and testing tools
- » Temperature-controlled test cells / enviro chambers
- » Dynamometer testing facilities





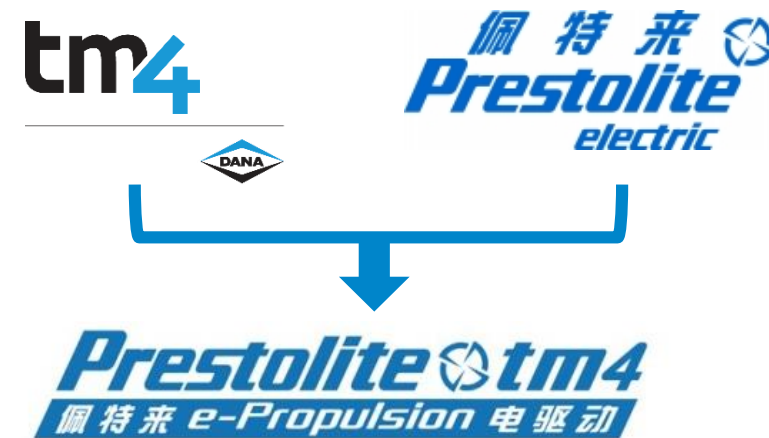
China Joint Venture



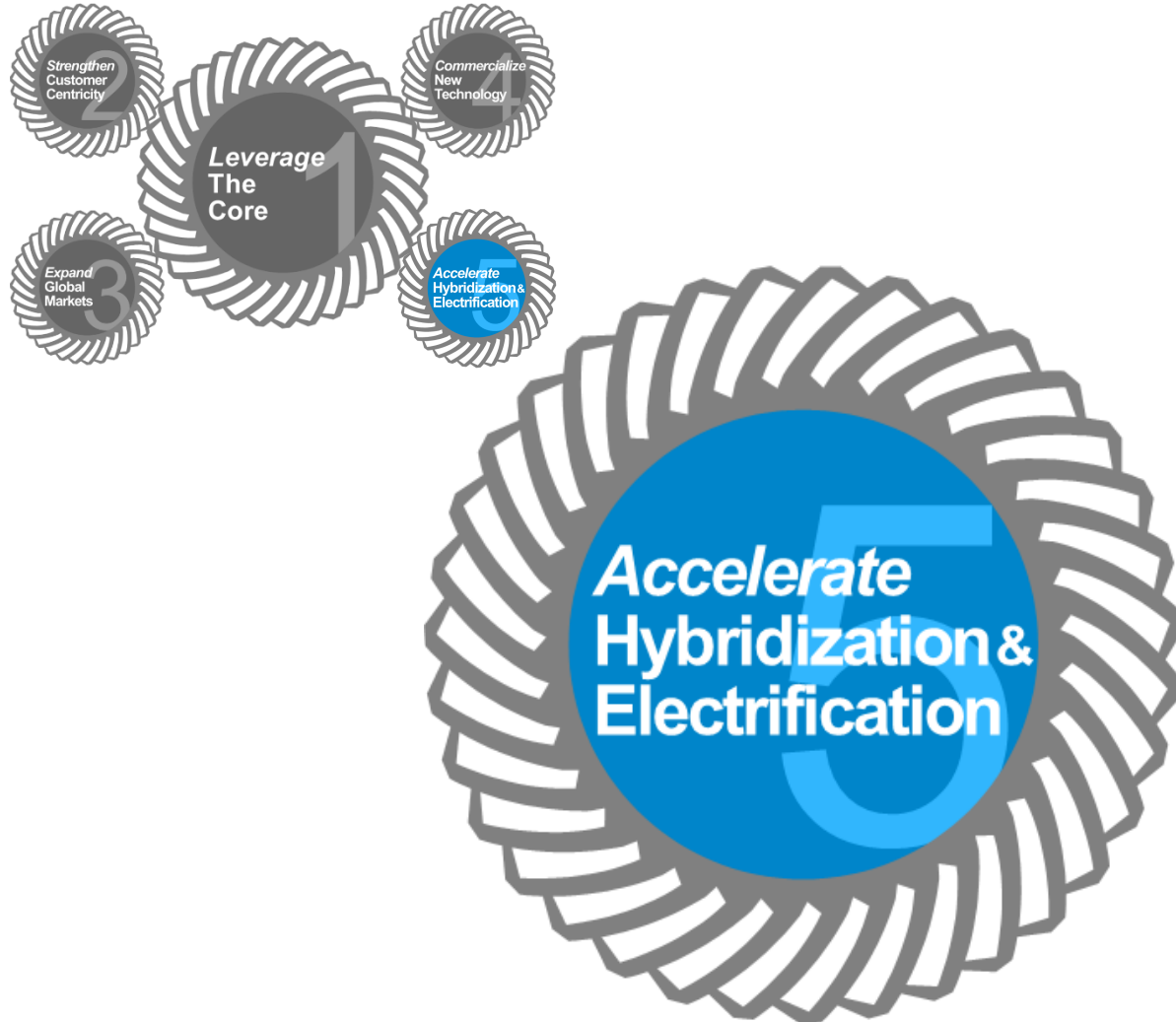
Prestolite E-Propulsion Systems

- » 50/50 joint venture
 - Venture between Prestolite Electric Beijing Ltd. and TM4
 - Formed in 2012
- » Manufacturing facility in Weifang, China
- » Electric motor and inverter production
- » Sales and service support through established network
- » Key markets: Electric buses and trucks

Select Customers in China



Strategic Fit



- » Completes **e-Drive systems** offering
- » Core **e-Technology** applicable to **all mobility markets**
- » In production with numerous customers
- » Expanded presence in **China**
- » World-class engineering
- » e-Technology center of excellence

SHIFTING INTO
OVERDRIVE >>>



Strategic Inorganic Growth

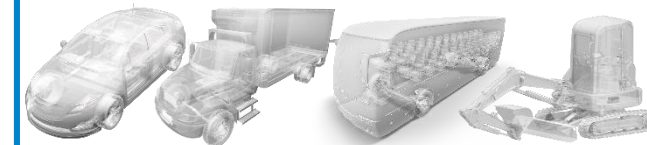
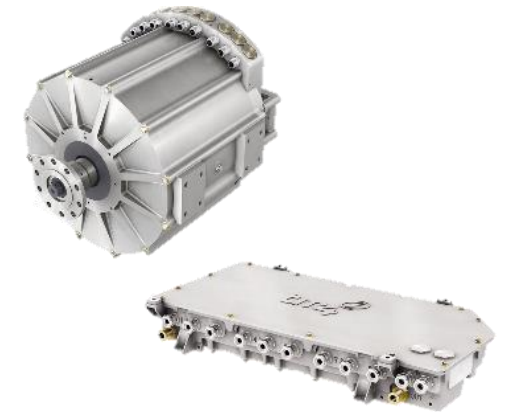
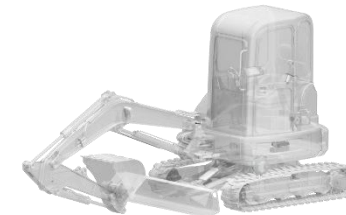
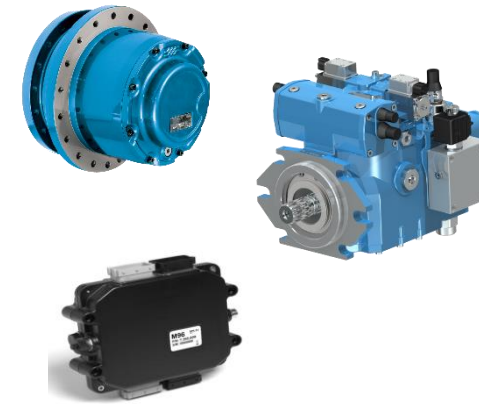
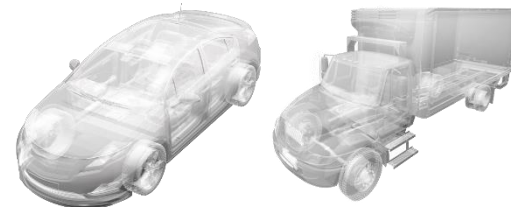
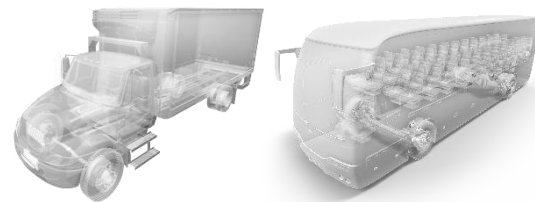
Q1 2016

Q4 2016

Q1 2017

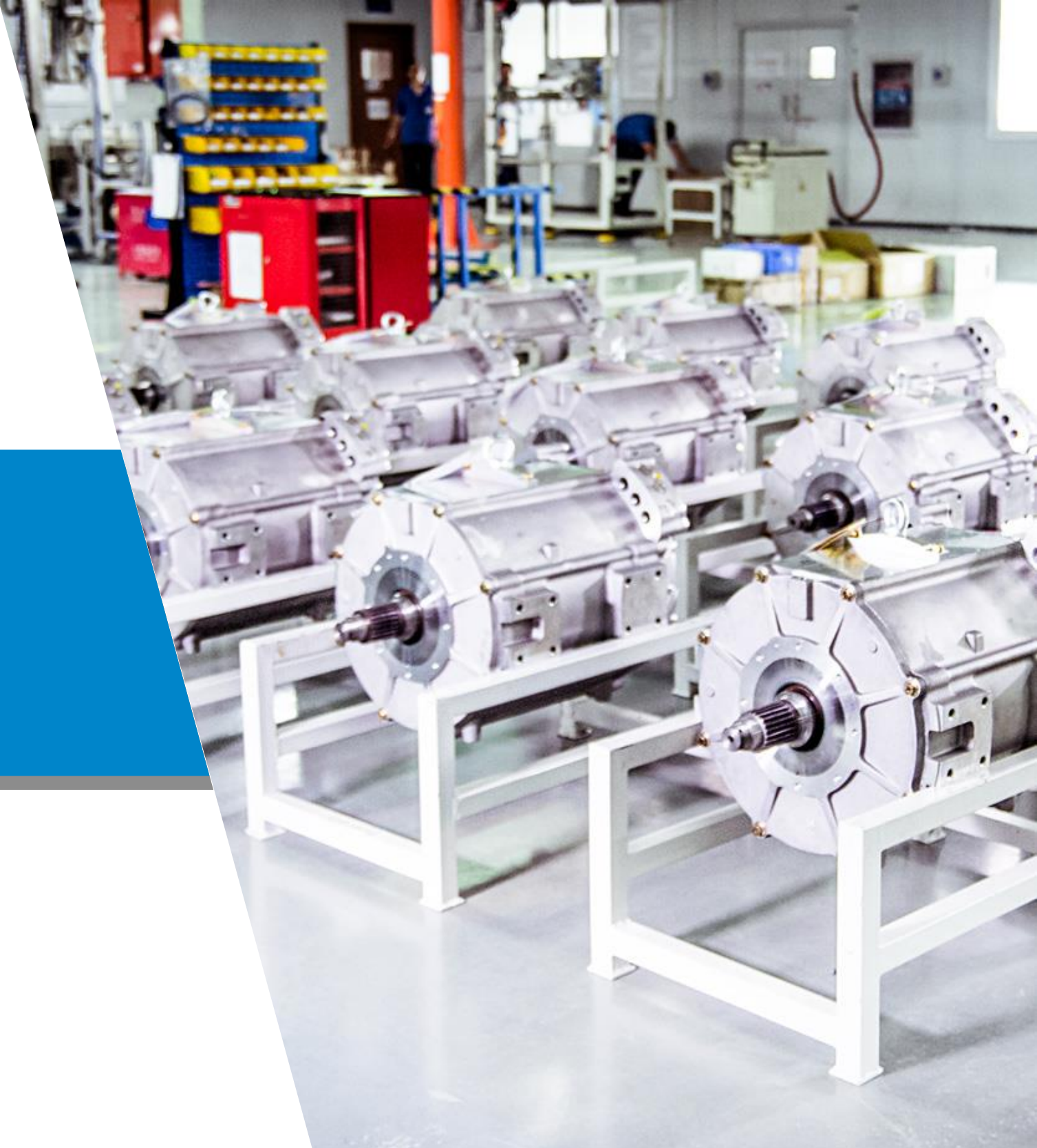
Q1 2017

Q2 2018





Electrification Growth Opportunity



Market Dynamics Driving Electrification



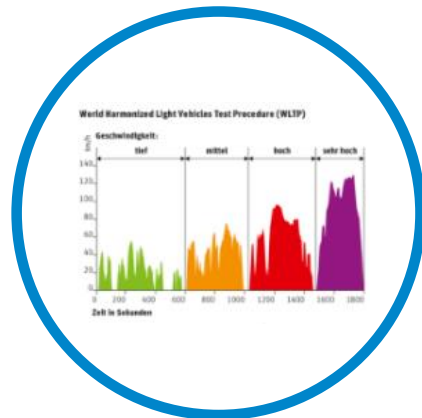
Strong technological progress reducing costs



Shift from diesel engines to cleaner alternatives



OEMs shift focus to e-propulsion



Globally increasing regulatory commitment to reduce emissions

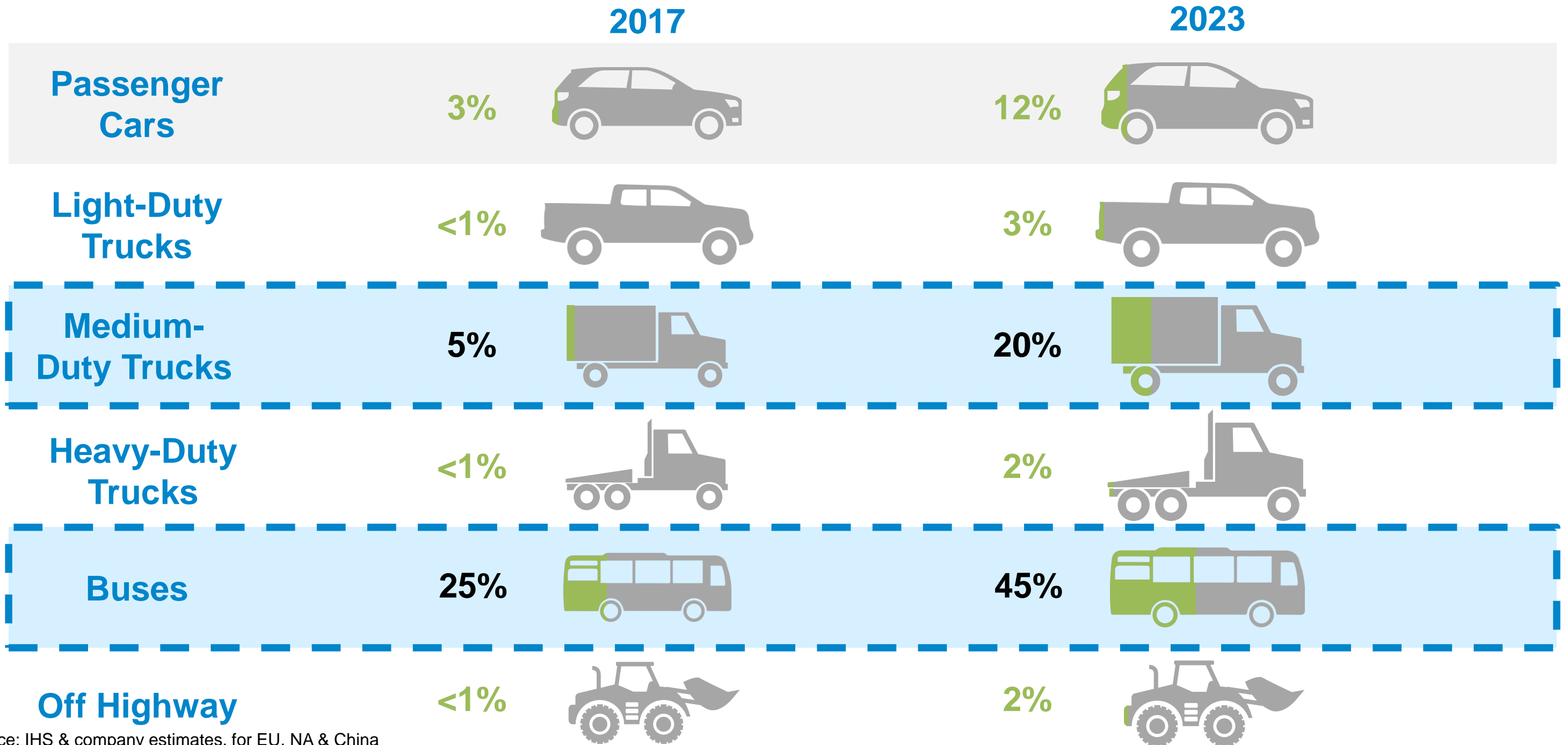


Zero emission cities driving change



Electrification becoming economical for bus and delivery applications

Global Electrification Growth by Segment



Source: IHS & company estimates, for EU, NA & China

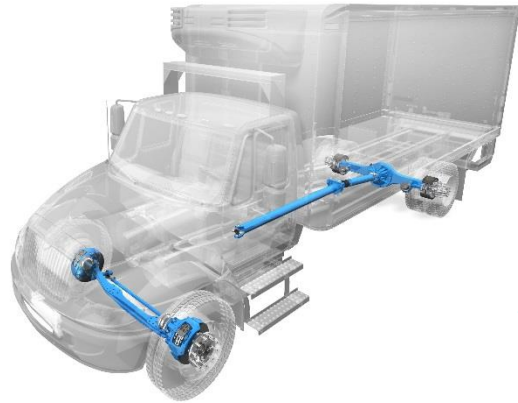


Drive Systems Content Growth

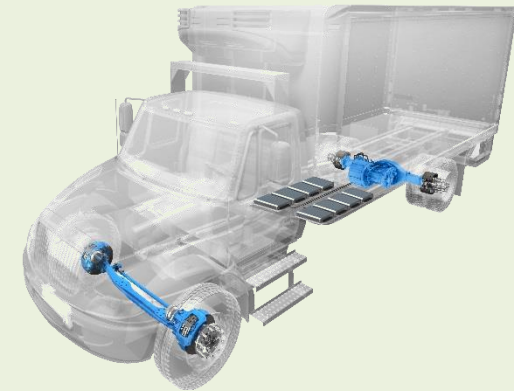
Internal Combustion Engine

Electric

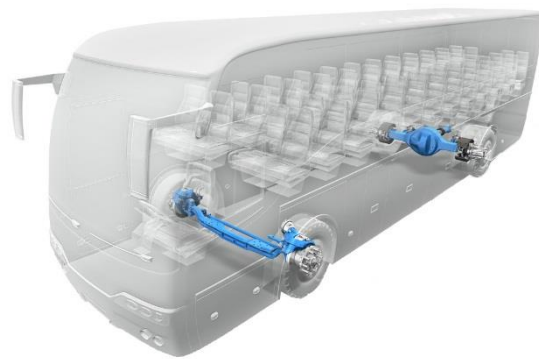
Medium-Duty Trucks



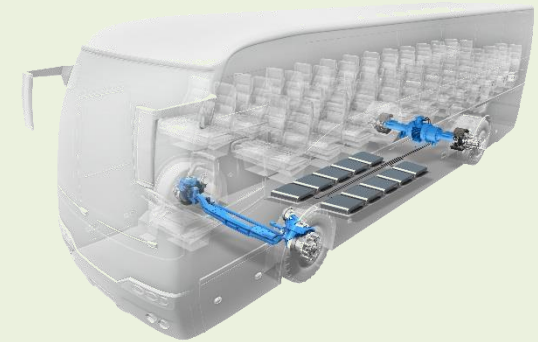
~2x



Buses



~2x

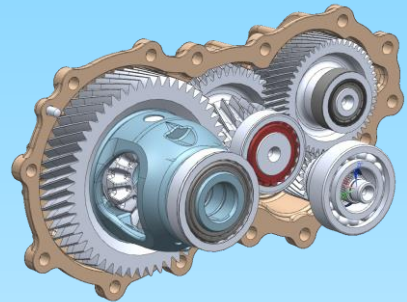




Integrated e-Drive Systems

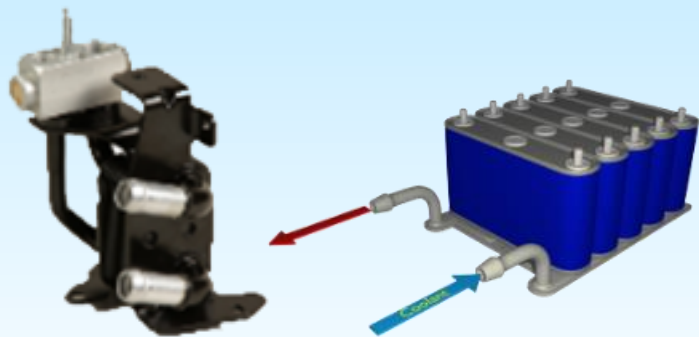


SPICER[®]
Drivetrain Systems



Drivetrain systems

LONG[®]
Thermal Products



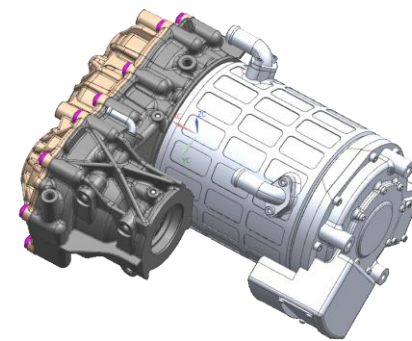
Battery, inverter,
& motor coolers



e-Axle



SPICER[®]
ELECTRIFIED WITH **tm4**



e-Drive Unit



tm4




Electric motors



Power Inverters & Controls




Acquisition Benefits




Provides in-house electro-dynamic components



Establishes e-Technology center of excellence



Delivers complete e-Drive systems capabilities



Enhances China new energy market presence

tm4

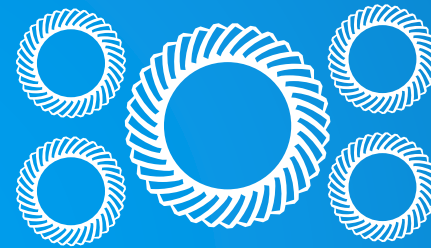




**Accelerating
Electrified
Mobility**



**Growing Through
Transformation**



**Executing Enterprise
Strategy**



**Increasing
Shareholder Value**

People Finding A Better Way[®]



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, 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 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.

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 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 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.

Please reference the “Non-GAAP financial information” 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.

