



## JP Morgan Auto Conference

August 14, 2019

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Executive Vice President and Chief Financial Officer

*People Finding A Better Way<sup>®</sup>*



# 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.



# Dana Snapshot

Founded in **1904**



2018 sales:  
**\$8.1 billion**

**↑ 13%** increase from prior year



**~38,000**  
people



**25**  
technical centers



**150** major facilities

**33** countries

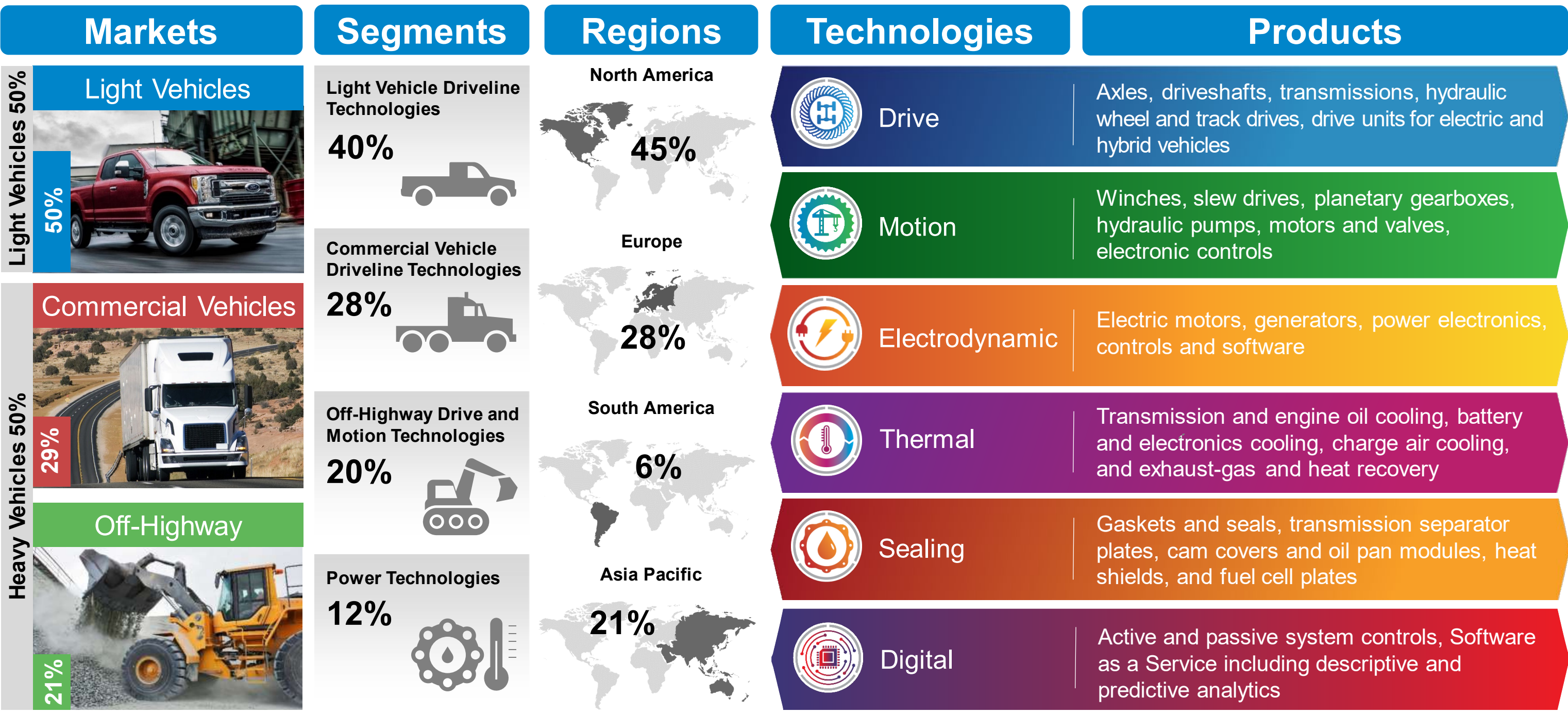
**6** continents

**~15,000** customers in

**141** countries



# Business Overview





# Q2 2019 Results

SALES OF  
**\$2.3**  
billion

11<sup>th</sup> consecutive  
quarter of YOY  
sales growth

MARGIN  
**12.4**  
percent

↑ **40 bps** increase over  
prior year

Adj. EBITDA  
**\$286**  
million

↑ **\$40M** increase over  
prior year

DILUTED ADJUSTED  
EARNINGS PER SHARE  
**\$0.87**

↑ **18%** increase over  
prior year

***Strong H1 results, FY guidance remains in range***

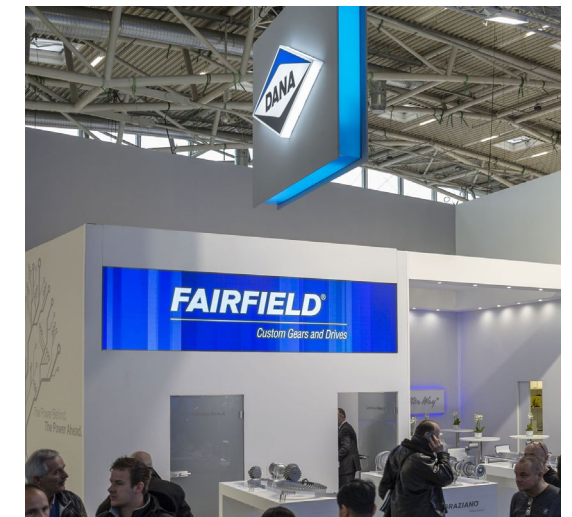


# Acquisition Integration

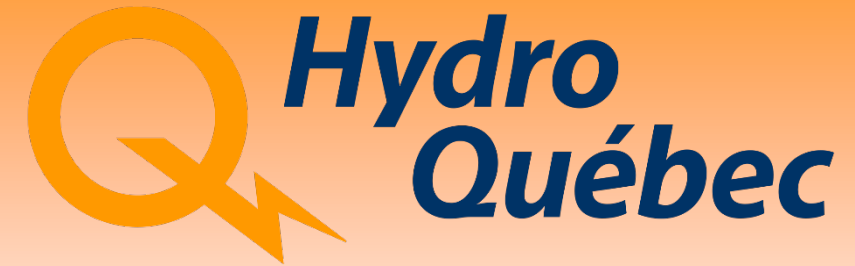
Delivering value by bringing together exceptional companies and capabilities



Welcome Oerlikon Drive Systems and SME Group



# Strengthening Electrodynamic Partnership



## TM4

Electrodynamic Products

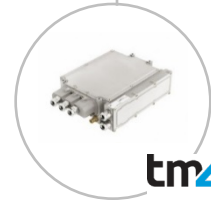
### Motors



Low Voltage

High Voltage

### Inverters



### Manufacturing



Prestolite tm4  
普特来 e-Propulsion 电驱动

# Outlook



## 2019 Guidance

sales  
 ~\$9.0 billion  
 ~10% increase from prior year

Expecting 3rd consecutive year of double-digit sales, profit, and Adj. FCF growth

### Drivers of growth



adjusted EBITDA  
 ~\$1.1 billion  
 ~15% increase from prior year

margin  
 ~12.3%  
 ~50 bps increase from prior year

adj. free cash flow  
 ~\$275 million  
 ~13% increase from prior year

diluted adj. EPS  
 ~\$3.20  
 ~\$0.18 increase from prior year

## 2019 H2 Outlook Variables



## 2020 FY Growth Drivers

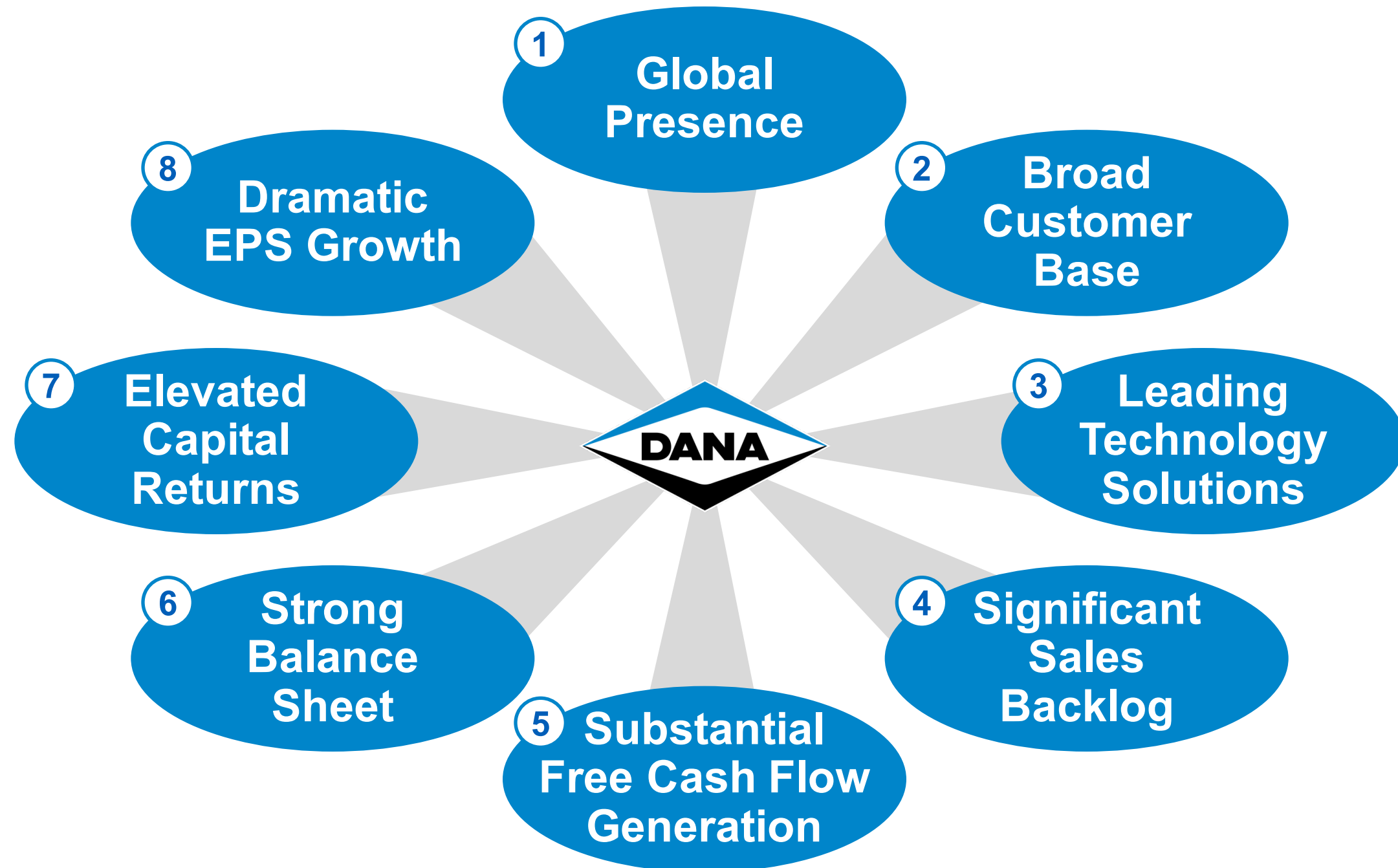


2019 guidance indications as disclosed in Q2 2019 materials, see presentation for guidance ranges. Adjusted FCF excludes discretionary pension termination impact





# Investment Highlights

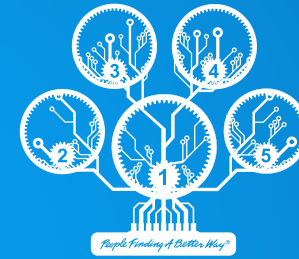




**Continued Strong  
Financial Results**



**Growing New  
Business Backlog**



**Advancing Enterprise  
Strategy**



**Increasing  
Shareholder Value**

*People Finding A Better Way<sup>®</sup>*



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

Diluted adjusted EPS is a non-GAAP financial measure which we have defined as adjusted net income divided by adjusted diluted shares. We define adjusted net income as net income 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.

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 this measure is useful to investors in evaluating the operational cash flow of the company inclusive of the spending required to maintain the operations. Adjusted 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. Adjusted Free cash flow may not be comparable to similarly titled measures reported by other companies.

Please reference the “Non-GAAP Financial Information” accompanying our quarterly earnings conference call presentations on our website at [www.dana.com/investors](http://www.dana.com/investors) for reconciliations of adjusted EBITDA, diluted adjusted EPS and free cash flow to the most directly comparable 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 reconciliations of these non-GAAP measures with the most comparable GAAP measures for the historical periods presented on our website are indicative of the reconciliations that will be prepared upon completion of the periods covered by the non-GAAP guidance.