



Dana Incorporated  
BAML Lev. Finance Conference  
December 4, 2018

**Timothy Kraus**  
Senior Vice President and Treasurer





# 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.



# Business Overview



## Markets

### Light Vehicles



### Heavy Vehicles

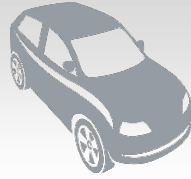


### Off-Highway



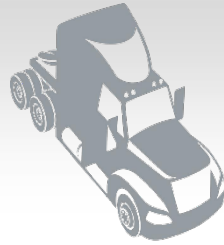
## Segments

Light Vehicle Driveline Technologies



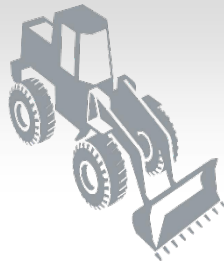
44%

Commercial Vehicle Driveline Technologies



20%

Off-Highway Drive and Motion Technologies



21%

Power Technologies



15%

## Technologies



Drive

Axles, driveshafts, transmissions, hydraulic wheel and track drives, drive units for electric and hybrid vehicles



Motion

Winches, Slew Drives, Planetary Gearboxes, Hydraulic Pumps, Motors and Valves, Electronic Controls



Electrodynamic

E-Motors, generators, power electronics, controls and software



Thermal

Transmission and engine oil cooling, battery and electronics cooling, charge air cooling, and exhaust-gas and heat recovery



Sealing

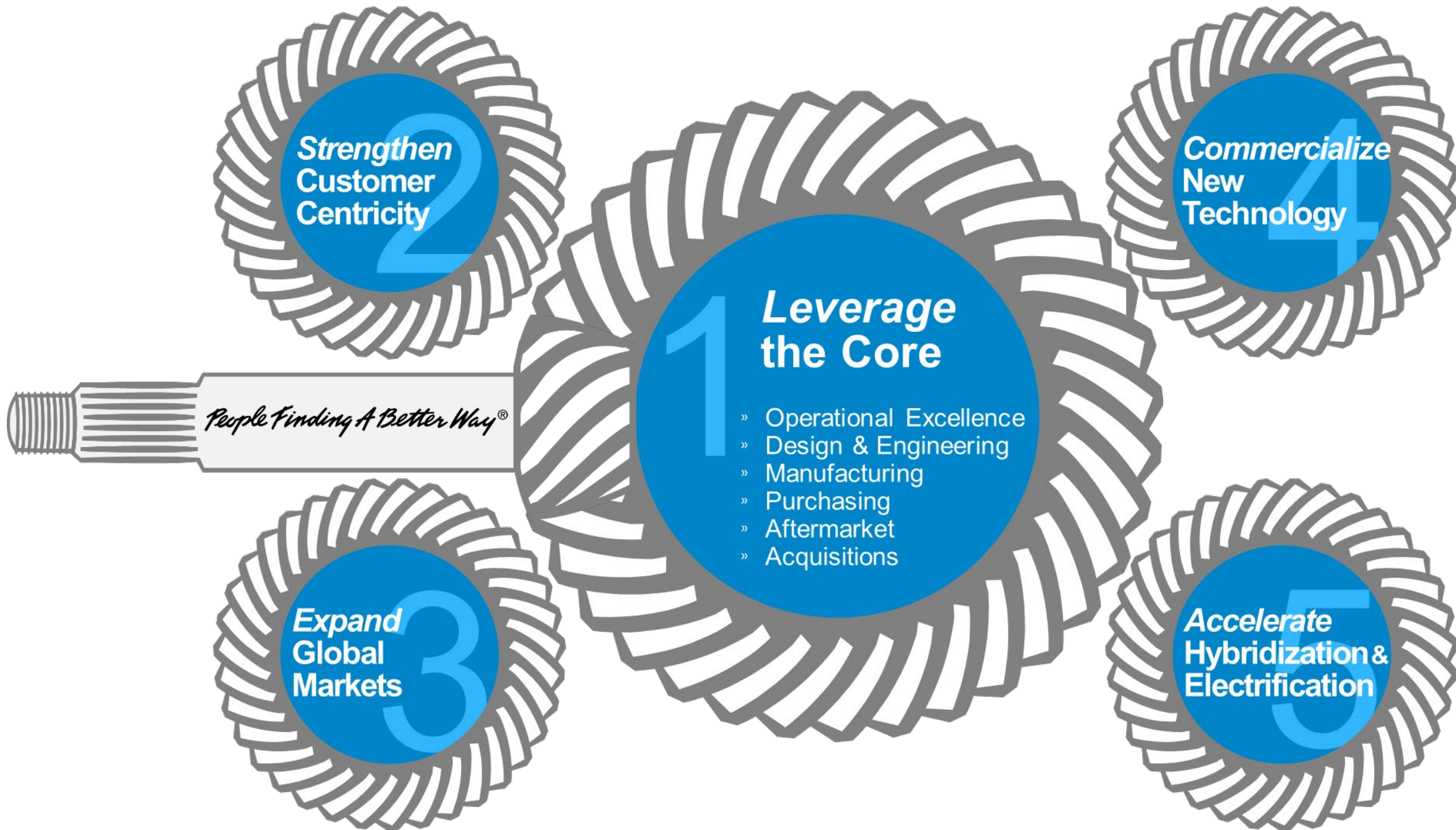
Gaskets and seals, transmission separator plates, plastic cam cover and oil pan modules, heat shields, and fuel cell plates



Digital

Active and passive system controls, Software as a Service including descriptive and predictive analytics



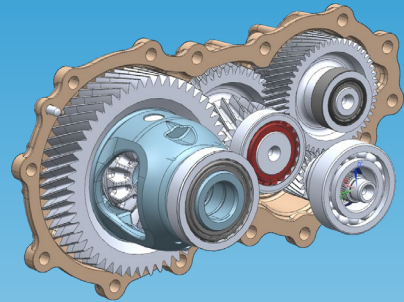




# TM4 Acquisition: Systems Capability

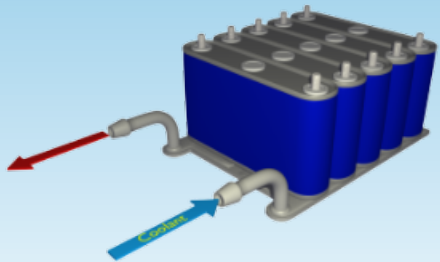


**SPICER®**



Gears

**LONG®**



Coolers



e-Axle

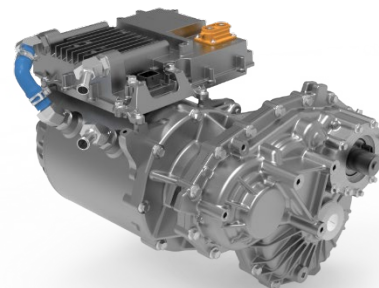


**SPICER®**  
ELECTRIFIED WITH **tm4**

**tm4**



Motors



e-Drive Unit

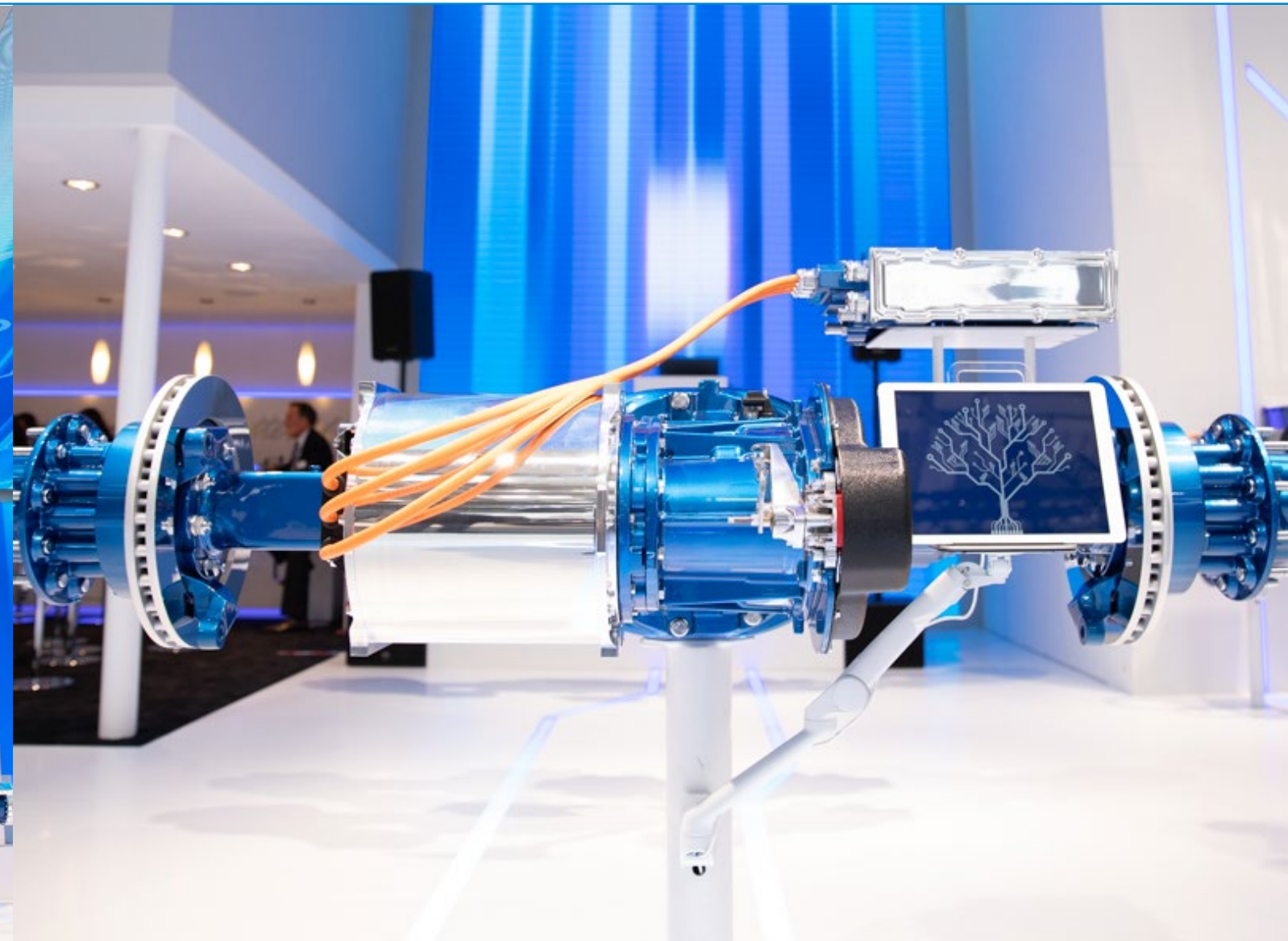


Inverters





# TM4 Acquisition: Systems Solutions





# Oerlikon Drive Systems Acquisition



*Enhances Propulsion  
Technology Portfolio*



*Increases Emerging  
Market Capabilities*

**oerlikon**  
drive systems



*Extends Off-Highway  
Market Presence*



*Delivers Significant  
Long-Term Value*


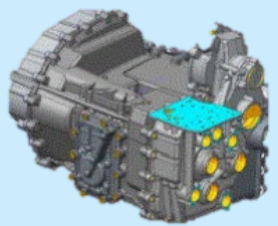
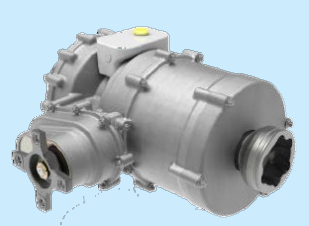
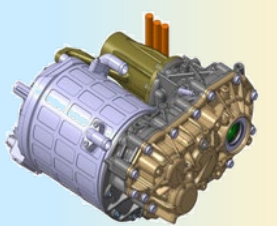


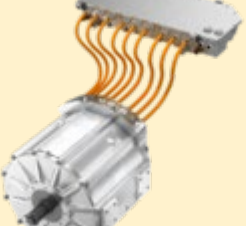





# e-Propulsion Product Portfolio



## Technology Solutions

Mild hybrid	Primary Axle Hybrid Drive (P/HEV)			Battery Electric Vehicle (BEV)			
<p><b>Power Electronics</b></p> <p>tm4</p> 	<p><b>Hybrid Drive Unit</b></p> <p>oerlikon graziano</p> 	<p><b>Hybrid Axle</b></p> <p>oerlikon graziano</p> 	<p><b>Independent E-Axle</b></p> <p>DANA SPICER ELECTRIFIED WITH tm4</p> 	<p><b>E-Drive Unit</b></p> <p>DANA SPICER ELECTRIFIED WITH tm4</p> 	<p><b>Rigid E-Axle</b></p> <p>DANA SPICER ELECTRIFIED WITH tm4</p> 	<p><b>Direct Drive</b></p> <p>tm4</p> 	<p><b>Wheel Drives</b></p> <p>oerlikon fairfield</p> <p>DANA SPICER ELECTRIFIED WITH tm4</p> 

## Vehicle Applications

Recreational	Utility	Passenger Car	City Delivery	Light Trucks	Medium Duty	Heavy Duty/ Bus	Mining Truck
 <p>Club Car</p>	 <p>Taylor Dunn</p>	 <p>Bolloré Blue Car</p>	 <p>Zenith Electric Van</p>		 <p>Workhorse</p>	 <p>Karsan ATAK midibus</p>	 <p>Sandvik DD422iE</p>





# 2019 Macro Outlook



<u>Mobility Market</u>	<u>Primary Source</u>	<u>Core Segments</u>	<u>Sales Dist<sup>1</sup></u>	<u>North America</u>	<u>Europe &amp; Africa</u>	<u>South America</u>	<u>Asia Pacific</u>	<u>Global</u>	
				44%	28%	6%	22%	100%	
		Full Frame	49%	→	↑	↑	→	→	
		Medium Duty	28%	→	↑	↑	↑	→	
		Heavy Duty		↑	→	↑	↓	→	
		Agriculture	23%	→	→	↓	→	→	
		Construction		→	↑	↑	→	→	
		Mining		→	→	→	↑	→	
<b>Total Mobility Markets</b>			100%	→	→	↑	→	→	
<b>Legend: YoY Δ</b>					FX	€ →	R\$ →	₹ →	
>+3%               +3% - (3%)               <(3%)									



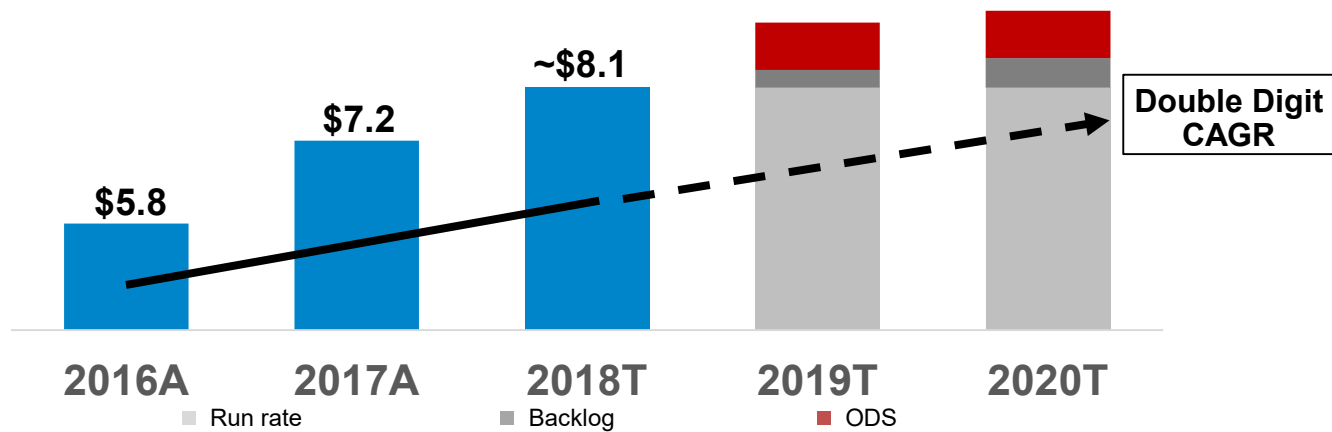
<sup>1</sup>2017 sales including 100% of DDAC and pro forma ODS



# Key Financial Metrics

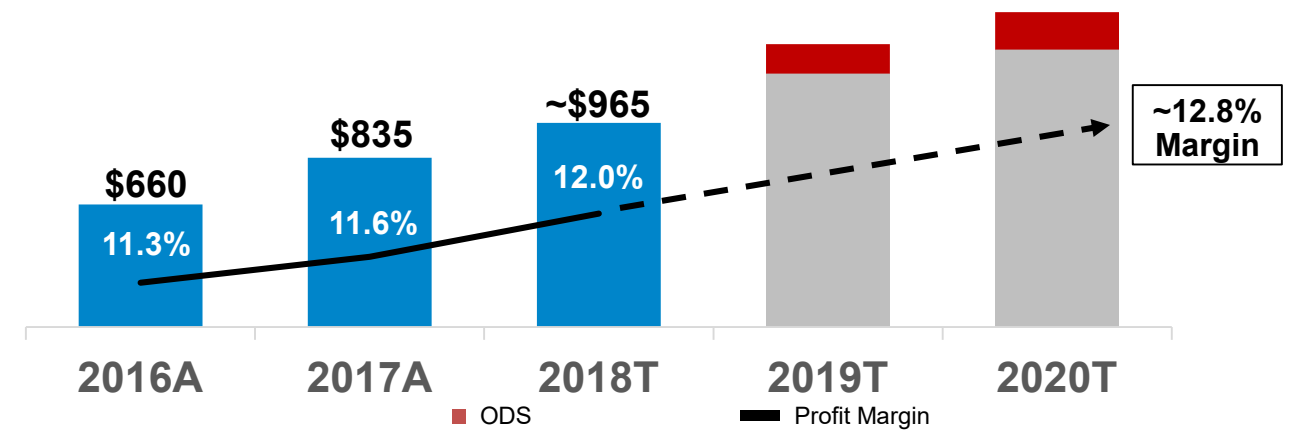
## Sales

\$ in Billions



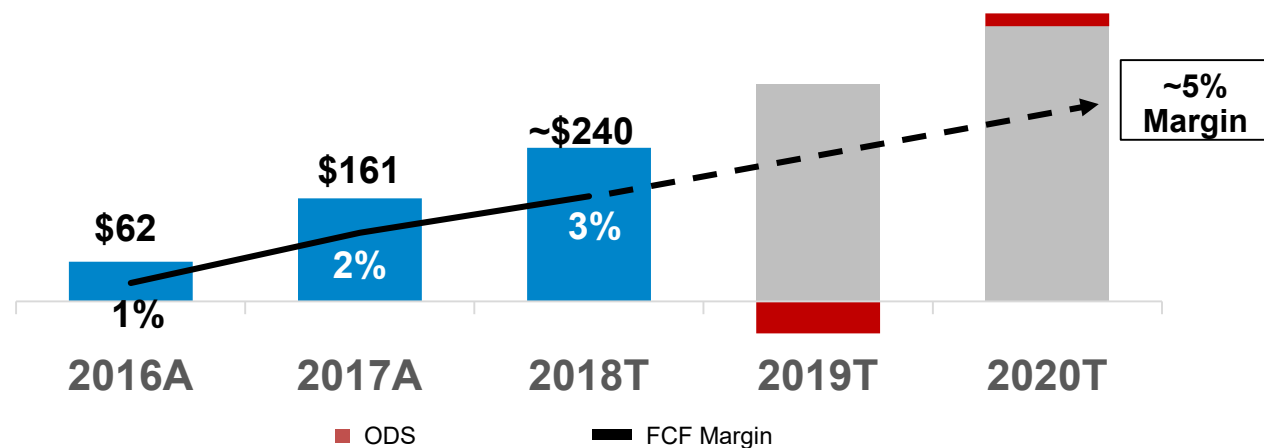
## Adjusted EBITDA

\$ in Millions

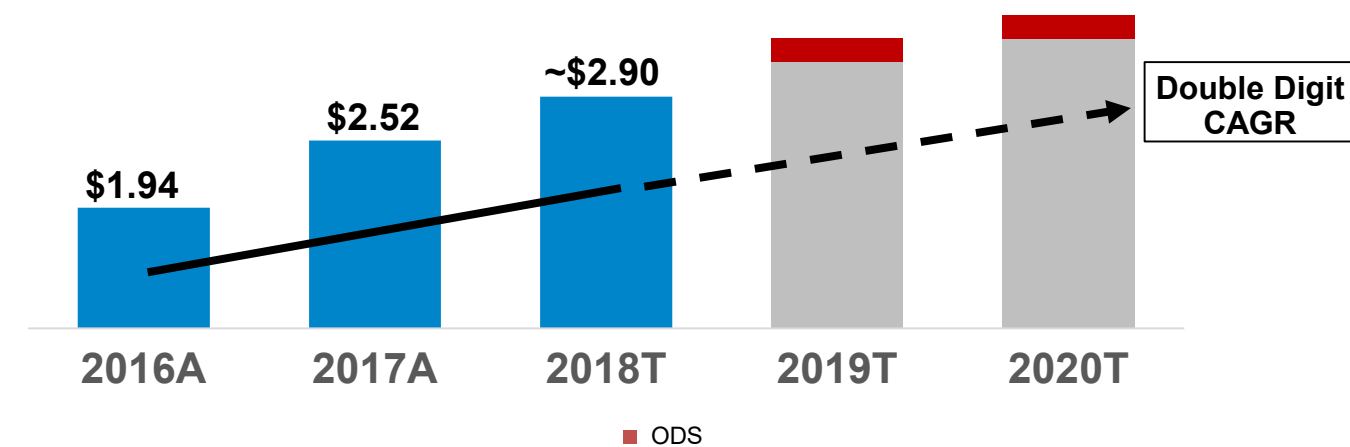


## Free Cash Flow

\$ in Millions



## Diluted Adjusted EPS



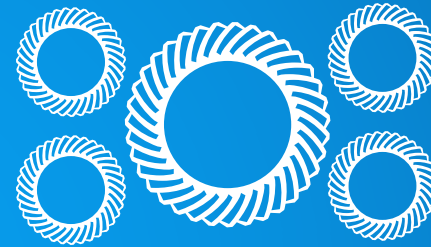
A=Actual; T=Target



**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 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.

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 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](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.





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