
**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): OCTOBER 24, 2003

DANA CORPORATION

(Exact Name of Registrant as Specified in its Charter)

VIRGINIA

(State or Other Jurisdiction of Incorporation)

1-1063
(Commission File Number)

34-4361040
(IRS Employer Identification Number)

4500 DORR STREET, TOLEDO, OHIO, 43615
(Address of Principal Executive Offices, Including Zip Code)

(419) 535-4500
(Registrant's Telephone Number, Including Area Code)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

- 99.1 Slide Presentation for October 24, 2003 Conference Call
- 99.2 Press Release of Dana Corporation.

ITEM 9. REGULATION FD DISCLOSURE.

This Current Report on Form 8-K and the attached exhibits are being furnished by Dana Corporation (Dana) pursuant to (i) Item 9 of Form 8-K in satisfaction of the public disclosure requirements of Regulation FD and (ii) Item 12 of Form 8-K, insofar as they disclose historical information regarding Dana's results of operations and financial condition for the fiscal quarter and the nine months ended September 30, 2003.

During a conference call scheduled to be held at 10:00 a.m. EDT on October 24, 2003, Dana's Acting President and Chief Operating Officer, William Carroll, and Chief Financial Officer, Robert Richter, intend to present the slide presentation that is furnished as Exhibit 99.1 to this Current Report.

Certain slides in this presentation include financial measures which are not presented in accordance with U.S. Generally Accepted Accounting Principles (GAAP). These include slides 7 through 12, 15 and 27, which contain non-GAAP financial measures due to the inclusion of Dana Credit Corporation (DCC) on an equity basis. In accordance with Instruction 2 to Item 12 of Form 8-K, the presentation also includes, on slides 28 through 33, a quantitative reconciliation of the differences between the non-GAAP financial measures disclosed and the most directly comparable financial measures calculated and presented in accordance with GAAP. Item 12 below and Dana's earnings release in the attached Exhibit 99.2 also contain information about the reconciliation of these non-GAAP financial measures to comparable GAAP financial measures and an explanation of why management believes the non-GAAP financial measures provide useful information to investors.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On October 24, 2003, Dana issued a news release regarding its earnings for the fiscal quarter and nine months ended September 30, 2003. A copy of that release is furnished as Exhibit 99.2 to this Current Report.

The earnings release includes tables showing: (i) Dana Corporation (Including Dana Credit Corporation on an Equity Basis), Condensed Statement of Income (Unaudited) — Three Months Ended September 30, 2003 and 2002 and Nine Months Ended September 30, 2003 and 2002; (ii) Dana Corporation (Including Dana Credit Corporation on an Equity Basis), Condensed Balance Sheet (Unaudited) — September 30, 2003 and December 31, 2002; and (iii) Dana Corporation (Including Dana Credit Corporation on an Equity Basis), Cash Flow Impact on Net Debt — Three Months Ended September 30, 2003 and 2002 and Nine Months Ended September 30, 2003 and 2002. As Generally Accepted Accounting Principles (GAAP) require Dana Credit Corporation (DCC) to be included on a consolidated basis, these tables including DCC on an equity basis contain non-GAAP financial measures. In accordance with Instruction 2 to Item 12 of Form 8-K, the earnings release also includes, for each of these tables: (i) a presentation of the most directly comparable financial measures calculated and presented in accordance with GAAP and (ii) a quantitative reconciliation of the differences between the non-GAAP financial measures disclosed and the most directly comparable GAAP financial measures. Management believes that the presentation of the non-GAAP financial measures provides useful information to investors regarding Dana's results of operations and financial condition because management evaluates Dana's operating segments and regions as if DCC were accounted for on the equity method of accounting. This is done because DCC is not homogenous with Dana's manufacturing operations, its financing activities do not support the sales of the other operating segments and its financial and performance measures are inconsistent with those of the other operating segments.

In accordance with General Instructions B.2 and B.6 of Form 8-K, the information in this Current Report, including the attached exhibits, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

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 Corporation
(Registrant)

Date: October 24, 2003

By: /s/ Michael L. DeBacker

Name: Michael L. DeBacker
Title: Vice President, General Counsel and Secretary

- 99.1 Slide Presentation for October 24, 2003 Conference Call.
- 99.2 Press Release of Dana Corporation.

Dana Corporation 3rd Quarter Conference Call



October 24, 2003

Forward-Looking Statements

Statements herein about our forecasts, beliefs, and expectations constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on our current information and assumptions. Forward-looking statements are inherently subject to risks and uncertainties. Dana's actual results could differ materially from those that we anticipate or project due to a number of factors. These factors include the impact of national and international economic conditions; adverse effects from terrorism or hostilities; the strength of other currencies relative to the U.S. dollar; the cyclical nature of the global vehicular industry; the performance of the global aftermarket sector; changes in business relationships with our major customers and in the timing, size and continuation of their and our programs; the ability of our customers and suppliers to achieve their projected sales and production levels; competitive pressures on our sales and pricing; increases in production or material costs that cannot be recouped in product pricing; the impact of our collective bargaining negotiations and those of our customers in the North American light vehicle sector; the continued success of our cost reduction and cash management programs and our long-term transformation strategy; and costs associated with ArvinMeritor's tender offer for our common stock. Additional factors are contained in our public filings with the SEC. We do not undertake to update any forward-looking statements contained herein.



Agenda

- ▶ Operational Review
- ▶ Third-Quarter Performance
- ▶ Increased Dividend
- ▶ Future Outlook
- ▶ Wrap-Up
- ▶ Q & A Session

Financial Summary

Q3 -2003

Q3 -2002

Sales \$ 2.4 billion \$ 2.4 billion

Net Income \$ 61 million \$ 4 million

Earnings Per Share \$ 0.41 \$ 0.02



Segment Comparison – 3rd Qtr

	Sales			OPAT		
	2003	2002	Chg.	2003	2002	Chg.
Automotive	\$928	\$859	8 %	\$5	\$8	25 %
Aftermarket	574	562	2	26	26	0
Engine & Fluid	482	498	(3)	18	18	0
Heavy Vehicle	488	494	(1)	23	20	15
DCC				6	7	(14)
Other	(62)	(57)	9	(65)	(61)	7
Results from Cont. Operations	\$2,410	\$2,356	2 %	\$3	\$8	13 %
Discontinued Ops.					6	N/M
Unusual Items				18	(40)	N/M
Total	\$2,410	\$2,356	2 %	\$1	\$4	N/M

5

N/M: Not Meaningful

© Dana Corporation. Dated October 24, 2003. Slides may contain forward-looking information. Actual results may differ materially due to factors discussed on slide 2.



Projected Net Incremental Business (\$ Millions)

SBU	2003	2004	2005	2006	2007
ASG	195	545	720	685	635
AAG	20	30	35	35	35
EFMG	85	125	170	215	235
HVTSG	195	190	175	240	250
TOTAL	495	890	1,100	1,175	1,155
Prior Qtr.	495	905	1,100	1,230	1,270

Estimates based on Dana's review of the projected production schedules of our customers



Income Statement

With DCC on an Equity Basis

(\$ Millions)	Third Quarter		YTD	
	2003	2002	2003	2002
Net sales	\$ 2,410	\$ 2,356	\$ 7,393	\$ 7,253
Other income	33	20	71	47
	<u>2,443</u>	<u>2,376</u>	<u>7,464</u>	<u>7,300</u>
Cost of sales	2,176	2,118	6,658	6,457
SG&A expense	156	174	529	558
Restructuring		34		122
Interest expense	40	42	123	131
	<u>2,372</u>	<u>2,368</u>	<u>7,310</u>	<u>7,268</u>
Income before taxes	71	8	154	32
Income taxes	(25)	(12)	(58)	(46)
Minority interest	(2)	(4)	(6)	(13)
Equity in affiliate earnings	17	7	72	71
Discontinued operations		5	(8)	3
Accounting change effect				(220)
Net income (loss)	<u>\$ 61</u>	<u>\$ 4</u>	<u>\$ 154</u>	<u>\$ (173)</u>



Cash Flow Statement

With DCC on an Equity Basis

(\$ Millions)	YTD	
	2003	2002
Sources		
Net income (loss)	\$ 154	\$ (173)
Accounting change effect		220
Depreciation	249	291
Asset sales	7	12
Divestitures	145	41
Working capital increase	(219)	(15)
	<u>336</u>	<u>376</u>
Uses		
Capital spend	(209)	(186)
Dividends	(5)	(5)
Acquisitions		(31)
Net change in other accounts	(19)	55
	<u>(233)</u>	<u>(167)</u>
Restructuring plan		
After-tax charges		119
Cash payments	(92)	(108)
Proceeds from asset sales	37	23
	<u>(55)</u>	<u>34</u>
Cash decrease in net debt	<u>\$ 48</u>	<u>\$ 243</u>



Working Capital Comparison

With DCC on an Equity Basis

(\$ Millions)	YTD	
	<u>2003</u>	<u>2002</u>
Increase through Sept. 30	(219)	(15)
Q1 2002 tax refund	<u>-</u>	<u>(152)</u>
Adjusted increase through Sept. 30	(219)	(167)



Capital Structure

With DCC on an Equity Basis

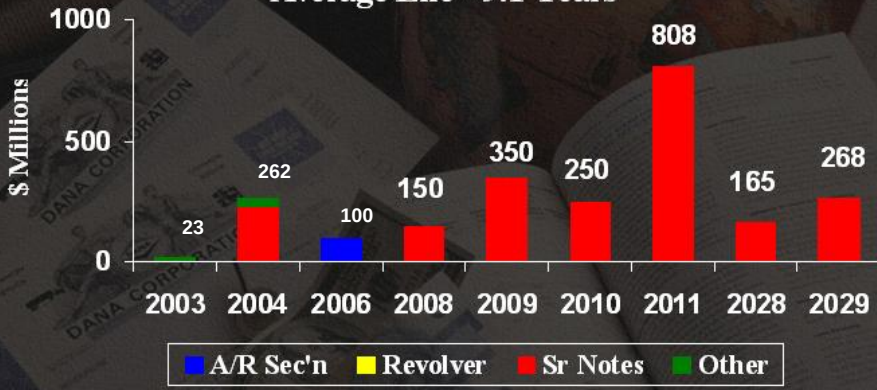
	<u>12/31/02</u>	<u>Operations</u>	<u>Other</u>	<u>9/30/03</u>
(\$ Millions)				
Short-term debt	\$ 53	\$ 52	\$ 254	\$ 359
Long-term debt	2,462	(102)	(270)	2,090
Borrowings	2,515	(50)	(16)	2,449
Cash	551	(2)	1	550
Net debt	\$ 1,964	\$ (48)	\$ (17)	\$ 1,899
Equity	\$ 1,482	\$ 150	\$ 218	\$ 1,850
Net debt/capital	57.0%			50.7%



September 30, 2003 Debt Portfolio

With DCC on an Equity Basis

Maturity Schedule Average Life - 9.1 Years



Maturities do not reflect swap valuation adjustments



September 30, 2003 Liquidity

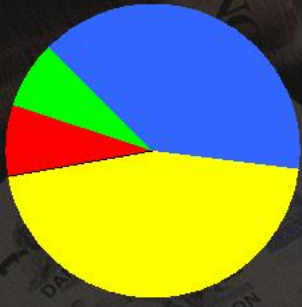
With DCC on an Equity Basis

	<u>Committed</u>	<u>Drawn</u>	<u>Available</u>
5-year bank facility	\$400	\$ -	\$ 400
Accts receivable program	400	100	300
	<hr/>	<hr/>	<hr/>
Total short-term committed facilities	\$800	\$ 100	\$ 700
			<hr/>
Plus: Cash			550
			<hr/>
Total			\$1,250



DCC Portfolio Analysis

(\$ Millions)



12/01 Total Portfolio Assets - \$2,200



9/03 Total Portfolio Assets - \$1,420

Value-Added Services

Real Estate

Capital Markets

Retained



2003 Full-Year Guidance

(\$ Millions, except per-share amounts)

<u>Date Provided</u>	<u>Net Income In Millions</u>	<u>EPS</u>
January	\$ 180-200	\$ 1.21-1.34
February	\$ 185-205	\$ 1.24-1.38
April	\$ 195-215	\$ 1.31-1.44
October	\$ 210-220	\$ 1.41-1.48



2003 Cash Projection

With DCC on an Equity Basis

(\$ Millions)

Sources:

Net income	\$	210
Depreciation		330
Working capital		150
Divestiture proceeds		145

\$ 835

Less:

Capital spend		(315)
Dividends		(15)

\$ 505

Cash payments for restructuring **\$ 100-130**



Re-affirming 2004 Guidance

Net Income

\$300 Million

EPS

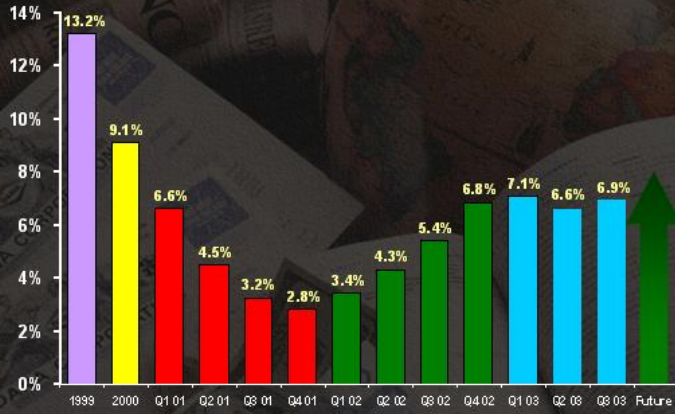
\$2.00



Dana Consolidated

Return On Invested Capital (ROIC)

(Last 12 Months Total Income/ 5-Quarter Rolling Average Invested Capital)



Return excludes unusual items. Invested capital reflects DCC on an equity basis.



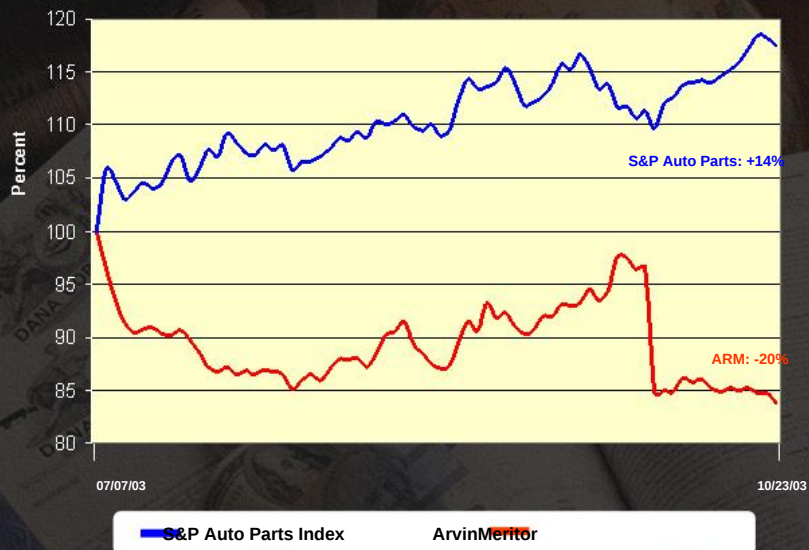
A Word on ArvinMeritor

- ▶ Offer is inadequate
- ▶ Offer is opportunistic
 - Macro environment improving every month
 - Our business momentum is substantial and accelerating
 - Reflected in earnings and dividend increase
- ▶ Offer is highly conditional
 - No announced progress on financing
 - Serious antitrust concerns: FTC has issued a “second request”

Greater Shareholder Value Created Under Dana's Strategic Plan



Market Reaction Since July 7, 2003



Performance Flywheel



Increased Dividend Declared

▶ Dividend of 6 cents per share payable
Dec. 15, 2003 announced on October 21

- Confidence in company's performance and direction
- Continued success in executing restructuring plan
- Approaching what could be considered "investment-grade" performance
- Expectation of continued improvement in earnings and cash flow

Dividends are an important component of total return to shareholders



2004 Outlook

Key Drivers in 2004 Earnings

- › Improved top-line performance
 - Heavy duty volumes
 - New business wins
- › Bottom-line and cash flow improvements
 - Restructuring complete
 - Substantial operating leverage
 - Leverage off of start-up costs incurred in 2003

Long-Term Objectives

- › Annual top-line growth
 - 6% to 7%
- › Continued margin improvement
- › Balance sheet
 - Return to investment grade credit rating

Net Income guidance of \$300 million (~ \$2.00 per share) for 2004



In Summary ...

▶ Strong third-quarter results

- Earnings significantly improved over 2002
- 2003 full-year net income forecast raised to range of \$210 to \$220 million
- Net debt-to-capital ratio reduced to 50.7%

▶ Increased fourth-quarter dividend to 6 cents per share

▶ Reaffirming 2004 EPS guidance of \$2.00

▶ We are far from finished

- Quickening the pace
- Eliminating waste
- Committed to growing our company





Questions?

Final Thoughts

- ▶ Third-quarter earnings significantly improved over 2002
- ▶ 2003 full-year net income forecast raised to range of \$210 to \$220 million
- ▶ Net debt-to-capital ratio reduced to 50.7%
- ▶ Increased fourth-quarter dividend to 6 cents per share
- ▶ Reaffirming 2004 EPS guidance of \$2.00



Supplemental Data

Details of Restructuring Charges & Credits by SBU

Three Months Ended September 30, 2003

	Restructuring Provisions	Reversals of Accruals	Restructuring Disposition Gain (Loss)
Automotive	\$ 3	\$ -	\$ -
Aftermarket	5	-	-
Engine & Fluid	1	1	-
Heavy Vehicle	6	16	1
Other	3	-	-
	<u>\$ 18</u>	<u>\$ 17</u>	<u>\$ 1</u>

Nine Months Ended September 30, 2003

	Restructuring Provisions	Reversals of Accruals	Restructuring Disposition Gain (Loss)
Automotive	\$ 10	\$ 9	\$ 1
Aftermarket	6	-	-
Engine & Fluid	4	1	1
Heavy Vehicle	7	17	2
Other	3	-	-
	<u>\$ 30</u>	<u>\$ 27</u>	<u>\$ 4</u>



Supplemental Data

Change in Working Capital - DCC on an Equity Basis

(\$Millions)	Third Quarter		YTD	
	2003	2002	2003	2002
Balance at beginning of period	\$ 1,101	\$ 1,091	\$ 830	\$ 1,116
Cash from operations:				
Incr (decr) in accts rec.	(21)	(98)	203	298
Incr (decr) in inventory	12	52	(10)	17
Incr (decr) in other assets	(11)	(3)	33	13
Decr (incr) in curr liabs	17	88	(7)	(313)
Net from operations	(3)	39	219	15
Restructuring	28	(10)	92	(11)
Divestitures		6	(71)	
Exchange & other non-cash	(49)	(29)	7	(23)
Balance at end of period	\$ 1,077	\$ 1,097	\$ 1,077	\$ 1,097



Capital Structure

December 31, 2002

(\$ in Millions)

	Dana w/DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Debt				
Short-term debt	53	234	-	287
Long-term debt	2,462	753	-	3,215
Borrowings	2,515	987	-	3,502
Cash	551	20	-	571
Net debt	1,964	967	-	2,931
Equity	1,482	271	(271)	1,482
Net debt/capital	57.0	78.1		66.4

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.



Capital Structure

September 30, 2003

(\$ in Millions)

	Dana w/DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Debt				
Short-term debt	359	225	-	584
Long-term debt	2,090	563	-	2,653
Borrowings	2,449	788	-	3,237
Cash	550	86	-	636
Net debt	1,899	702	-	2,601
Equity	1,850	323	(323)	1,850
Net debt/capital	50.7	68.5		58.4

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.



Change in Working Capital

Three Months Ended September 30, 2003

(\$ in Millions)	Dana w/DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Balance at beginning of period	1,101	190	-	1,291
Cash from operations:				
Increase (decrease) in receivables	(21)	3	4	(14)
Increase (decrease) in inventory	12	-	-	12
Increase (decrease) in other assets	(11)	(8)	-	(19)
Decrease (increase) in current liabilities	17	9	-	26
Net from operations	(3)	4	4	5
Restructuring	28	-	-	28
Divestitures	-	-	-	-
Exchange and other non-cash	(49)	(2)	(4)	(55)
Balance at end of period	1,077	192	-	1,269

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.



Change in Working Capital

Nine Months Ended September 30, 2003

(\$ in Millions)	Dana w/DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Balance at beginning of period	830	179	1	1,010
Cash from operations:				
Increase (decrease) in receivables	203	(104)	-	99
Increase (decrease) in inventory	(10)	-	-	(10)
Increase (decrease) in other assets	33	106	-	139
Decrease (increase) in current liabilities	(7)	6	(2)	(3)
Net from operations	<u>219</u>	<u>8</u>	<u>(2)</u>	<u>225</u>
Restructuring	92	-	-	92
Divestitures	(71)	-	-	(71)
Exchange and other non-cash	7	5	1	13
Balance at end of period	<u>1,077</u>	<u>192</u>	<u>-</u>	<u>1,269</u>

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.



Change in Working Capital

Three Months Ended September 30, 2002

(\$ in Millions)	Dana w/DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Balance at beginning of period	1,091	106	1	1,198
Cash from operations:				
Increase (decrease) in receivables	(98)	1	4	(93)
Increase (decrease) in inventory	52	-	-	52
Increase (decrease) in other assets	(3)	(4)	-	(7)
Decrease (increase) in current liabilities	88	5	-	93
Net from operations	39	2	4	45
Restructuring	(10)	-	-	(10)
Divestitures	6	-	-	6
Exchange and other non-cash	(29)	12	(12)	(29)
Balance at end of period	1,097	120	(7)	1,210

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.



Change in Working Capital

Nine Months Ended September 30, 2002

(\$ in Millions)	Dana w/DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Balance at beginning of period	1,116	109	4	1,229
Cash from operations:				
Increase (decrease) in receivables	298	(18)	(7)	273
Increase (decrease) in inventory	17	-	-	17
Increase (decrease) in other assets	13	22	-	35
Decrease (increase) in current liabilities	(313)	10	-	(303)
Net from operations	15	14	(7)	22
Restructuring	(11)	-	-	(11)
Divestitures	-	-	-	-
Exchange and other non-cash	(23)	(3)	(4)	(30)
Balance at end of period	1,097	120	(7)	1,210

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.



Contact: Michelle Hards
(419) 535-4636
michelle.hards@dana.com

DANA CORPORATION REPORTS
STRONGER THIRD-QUARTER EARNINGS

- Third-quarter earnings significantly improved over 2002
- Full-year net income forecast raised to range of \$210 to \$220 million
- Net debt-to-capital ratio reduced to below 51 percent
- Fourth-quarter dividend increased to 6 cents per share

TOLEDO, Ohio, October 24, 2003 — Dana Corporation (NYSE: DCN) today announced third-quarter net income totaling \$61 million, or 41 cents per share, on sales of \$2.4 billion. These results are a significant improvement over net income of \$4 million, or 2 cents per share, on sales of \$2.4 billion during the same period last year.

Third-quarter 2003 net income of \$61 million included \$9 million in after-tax gains from the continued reduction of Dana Credit Corporation (DCC) assets, and \$9 million in after-tax gains from early retirement of debt. Excluding these items, quarterly net income totaled \$43 million, or 29 cents per share. Third-quarter 2002 reported net income of \$4 million included \$40 million in after-tax charges associated with the company's restructuring plan and \$6 million of after-tax income from divested businesses classified as "discontinued operations." Excluding these items, third-quarter 2002 net income totaled \$38 million, or 26 cents per share.

"The plan we initiated two years ago is now yielding results, achieving or surpassing every goal associated with it," said Bill Carroll, Dana's Acting President and Chief Operating Officer. "Our performance, evident in today's reported results, continues to validate our strategic course. We're doing what we said we'd do. We are delivering world-class support to our customers, our margins are improving, we are paying down debt, and we are increasing the dividend payout to our shareholders."

Looking ahead to 2004, Mr. Carroll noted that, "We expect that the costs associated with our seven concurrent product launches will be largely behind us, and that we will begin to deliver full returns on these programs. Coupled with a steadily improving heavy-truck market and stability in the light-truck market, we believe Dana is positioned for further improved performance next year."

(more)

Nine-Month Results Improved

In the first nine months of 2003, Dana's net income totaled \$154 million, or \$1.04 per share, on sales of \$7.4 billion. This compares favorably to a loss of \$173 million, or \$1.16 per share, on sales of \$7.3 billion during the first nine months of 2002. Nine-month net income in 2003 included net gains from divestitures and the repurchase of debt, and losses from discontinued operations. Net income in the period in 2002 reflected a charge of \$220 million, or \$1.48 per share, associated with the required adoption of FAS 142 related to accounting for goodwill, as well as restructuring charges, divestiture gains, and income from discontinued operations.

Net Debt-to-Capital Reduced; Asset Reduction Continues at DCC

"During the third quarter, we used a portion of the divestiture proceeds we received earlier this year to repurchase some of our long-term bonds at attractive prices," said Dana Chief Financial Officer Bob Richter. "We bought back bonds with a face value of \$158 million, generating an after-tax gain of \$9 million. This helped bring our ratio of net debt-to-capital at Sept. 30, exclusive of DCC, down to 50.7 percent from 57.0 percent at the beginning of the year.

"We also reduced DCC assets by another \$70 million during the quarter," he said. "This brings the total asset reduction since we began the program in October 2001, to \$780 million through September 30th, with a cumulative net after-tax gain of \$58 million."

2003 Net Income Forecast Raised; 2004 Guidance Reaffirmed

"We look forward to building on the momentum of all that we have accomplished over the last two years," Mr. Richter added. "On the strength of the third-quarter results, we are again raising our guidance for 2003 full-year net income to a range of \$210 to \$220 million and reaffirming our belief that earnings in 2004 will be at least \$300 million, which would be just over \$2 per share."

Dividend Increased to 6 Cents per Share for the Fourth Quarter

On Oct. 21, Dana announced that it would raise its dividend to 6 cents per share for the fourth quarter. "We are pleased that our continuing success in executing our restructuring plan has enabled us to provide our shareholders with this dividend increase," said Glen Hiner, Dana's Acting Chairman. "We committed to our shareholders that we would revisit our dividend policy as our results approached what could be considered 'investment grade' performance. Our confidence that our net debt-to-capital will be below 50 percent by year-end moves us toward that goal. Increasing the dividend at this time is also consistent with our expectation of continued improvement in earnings and cash flow."

He added, "This action reflects the strong belief of Dana that dividends are an important component of the total return that Dana provides to our shareholders."

(more)

Quarterly Conference Call Scheduled Today at 10 a.m.

Dana will discuss its third-quarter results in a conference call at 10 a.m. (EDT) today. The call may be accessed via Dana's web site (www.dana.com), where it will be accompanied by a brief slide presentation, or by dialing (800) 275-3210. Please dial into the conference five minutes prior to the call. An audio recording of this conference call will be available after 1 p.m. today. To access this recording, please dial (800) 537-8823. A webcast replay of the call will be available after 3 p.m. today and will be accessible via the Dana web site.

Dana Corporation is a global leader in the design, engineering, and manufacture of value-added products and systems for automotive, commercial, and off-highway vehicle manufacturers and their related aftermarkets. The company employs approximately 60,000 people worldwide. Founded in 1904 and based in Toledo, Ohio, Dana operates hundreds of technology, manufacturing, and customer service facilities in 30 countries. The company reported 2002 sales of \$9.5 billion.

Certain statements contained in this release constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements represent Dana's expectations based on our current information and assumptions. Forward-looking statements are inherently subject to risks and uncertainties. Dana's actual results could differ materially from those that are anticipated or projected due to a number of factors. These factors include national and international economic conditions; adverse effects from terrorism or hostilities; the strength of other currencies relative to the U.S. dollar; the cyclical nature of the global vehicular industry; the performance of the global aftermarket sector; changes in business relationships with our major customers and in the timing, size and continuation of their and our programs; the ability of our customers and suppliers to achieve their projected sales and production levels; competitive pressures on our sales and pricing; increases in production or material costs that cannot be recouped in product pricing; the impact of our collective bargaining negotiations and those of our customers in the North American light vehicle sector; the continued success of our cost reduction and cash management programs and of our long-term transformation strategy for the company; costs associated with the tender offer for our common stock that was commenced on July 9, 2003, by ArvinMeritor, Inc.; and other factors set out in our public filings with the Securities and Exchange Commission. Dana does not undertake to update any forward-looking statements contained in this release.

Dana's shareholders, and its customers, suppliers and employees, are strongly advised to read carefully Dana's solicitation/recommendation statement regarding ArvinMeritor's tender offer, because it contains important information. Free copies of the solicitation/recommendation statement and the related amendments, which have been filed by Dana with the Securities and Exchange Commission, are available at the SEC's web site at www.sec.gov, or at the Dana web site at www.dana.com, and also by directing requests to Dana's Investor Relations Department or Dana's information agent, D.F. King & Co., Inc., at 1-800-901-0068.

###

Dana Corporation
 Reconciliation to GAAP Presentation
 (in millions, except per share amounts)

	Three Months Ended September 30			
	Dollar amounts		Diluted per share amounts	
	2003	2002	2003	2002
Operating profit after tax (a)	\$ 43	\$ 38	\$ 0.29	\$ 0.26
Add items excluded from segment performance measures:				
After-tax gains from DCC asset sales	9	—	0.06	—
After-tax gains from early retirement of debt	9	—	0.06	—
Restructuring charges after-tax	—	(40)	—	(0.27)
Income from discontinued operations	—	6	—	0.03
Net income—GAAP basis	\$ 61	\$ 4	\$ 0.41	\$ 0.02

(a) Operating profit after tax is presented in our Business Segment table as the key internal measure of performance used by management as a measure of segment profitability.

Dana Corporation
Condensed Statement of Income (Unaudited)
(in millions, except per share amounts)

	Three Months Ended September 30	
	2003	2002
Net sales	\$ 2,410	\$ 2,356
Revenue from lease financing and other income	42	44
	<u>2,452</u>	<u>2,400</u>
Costs and expenses		
Cost of sales	2,165	2,103
Selling, general and administrative expenses	171	199
Restructuring charges		34
Interest expense	55	63
	<u>2,391</u>	<u>2,399</u>
Income before income taxes	61	1
Income tax expense	(3)	(5)
Minority interest	(2)	(4)
Equity in earnings of affiliates	5	7
	<u>61</u>	<u>(1)</u>
Income (loss) from continuing operations	61	(1)
Income from discontinued operations	—	5
	<u>61</u>	<u>4</u>
Net income	\$ 61	\$ 4
Basic earnings (loss) per share		
Income (loss) from continuing operations	\$ 0.41	\$ (0.01)
Income from discontinued operations		0.03
	<u>0.41</u>	<u>0.02</u>
Net income	\$ 0.41	\$ 0.02
Diluted earnings (loss) per share		
Income (loss) from continuing operations	\$ 0.41	\$ (0.01)
Income from discontinued operations		0.03
	<u>0.41</u>	<u>0.02</u>
Net income	\$ 0.41	\$ 0.02
Average shares outstanding—		
For Basic EPS	148	148
For Diluted EPS	149	149

Dana Corporation
Condensed Statement of Income (Unaudited)
(in millions, except per share amounts)

	Nine Months Ended September 30	
	2003	2002
Net sales	\$ 7,393	\$ 7,253
Revenue from lease financing and other income	112	172
	<u>7,505</u>	<u>7,425</u>
Costs and expenses		
Cost of sales	6,624	6,412
Selling, general and administrative expenses	580	639
Restructuring charges		122
Interest expense	170	195
	<u>7,374</u>	<u>7,368</u>
Income before income taxes	131	57
Income tax expense	(3)	(40)
Minority interest	(6)	(13)
Equity in earnings of affiliates	40	40
	<u>162</u>	<u>44</u>
Income from continuing operations before effect of change in accounting	162	44
Income (loss) from discontinued operations	(8)	3
	<u>154</u>	<u>47</u>
Income before effect of change in accounting	154	47
Effect of change in accounting		(220)
	<u>\$ 154</u>	<u>\$ (173)</u>
Net income (loss)		
Basic earnings (loss) per share		
Income from continuing operations before effect of change in accounting	\$ 1.10	\$ 0.30
Income (loss) from discontinued operations	(0.06)	0.02
Effect of change in accounting		(1.49)
	<u>\$ 1.04</u>	<u>\$ (1.17)</u>
Net income (loss)		
Diluted earnings (loss) per share		
Income from continuing operations before effect of change in accounting	\$ 1.09	\$ 0.30
Income (loss) from discontinued operations	(0.05)	0.02
Effect of change in accounting		(1.48)
	<u>\$ 1.04</u>	<u>\$ (1.16)</u>
Net income (loss)		
Average shares outstanding—		
For Basic EPS	148	148
For Diluted EPS	149	149

Dana Corporation
Condensed Balance Sheet (Unaudited)
(in millions)

	September 30 2003	December 31 2002
Assets		
Current assets		
Cash and cash equivalents	\$ 636	\$ 571
Accounts receivable		
Trade	1,496	1,348
Other	313	320
Inventories	1,167	1,116
Other current assets	622	763
Total current assets	4,234	4,118
Property, plant and equipment, net	2,475	2,556
Investment in leases	658	827
Investments and other assets	2,117	2,052
Total assets	\$ 9,484	\$ 9,553
Liabilities and Shareholders' Equity		
Current liabilities		
Notes payable	\$ 584	\$ 287
Accounts payable	1,187	1,004
Other current liabilities	1,142	1,533
Total current liabilities	2,913	2,824
Long-term debt	2,653	3,215
Deferred employee benefits and other noncurrent liabilities	1,968	1,925
Minority interest	100	107
Shareholders' equity	1,850	1,482
Total liabilities and shareholders' equity	\$ 9,484	\$ 9,553

Dana Corporation
Condensed Statement of Cash Flows (Unaudited)
(in millions)

	Three Months Ended September 30	
	2003	2002
Net income	\$ 61	\$ 4
Depreciation and amortization	92	118
Asset impairment	9	15
Gain on divestitures, asset sales and note repurchases	(7)	(1)
Working capital increase	(33)	(35)
Other	(5)	(16)
Net cash flows—operating activities	117	85
Purchases of property, plant and equipment	(73)	(85)
Payments received on leases	5	21
Net loan repayments from customers	1	4
Acquisitions	—	(31)
Divestitures	—	163
Asset sales	27	8
Other	24	(7)
Net cash flows—investing activities	(16)	73
Net change in short-term debt	88	(71)
Payments on and repurchases of long-term debt	(182)	(28)
Dividends paid	(2)	(2)
Other	(1)	72
Net cash flows—financing activities	(97)	(29)
Net change in cash and cash equivalents	4	129
Cash and cash equivalents—beginning of period	632	318
Cash and cash equivalents—end of period	\$ 636	\$ 447

Dana Corporation
Condensed Statement of Cash Flows (Unaudited)
(in millions)

	Nine Months Ended September 30	
	2003	2002
Net income (loss)	\$ 154	\$ (173)
Depreciation and amortization	294	360
Asset impairment	18	45
Change in accounting for goodwill	—	220
Gain on divestitures, asset sales and note repurchases	(29)	(35)
Working capital increase	(317)	(11)
Other	(35)	(46)
Net cash flows—operating activities	85	360
Purchases of property, plant and equipment	(215)	(250)
Payments received on leases	21	46
Net loan repayments from customers	12	18
Acquisitions	—	(31)
Divestitures	145	235
Asset sales	206	67
Other	33	(18)
Net cash flows—investing activities	202	67
Net change in short-term debt	(9)	(282)
Proceeds from long-term debt	—	285
Payments on and repurchases of long-term debt	(225)	(252)
Dividends paid	(5)	(5)
Other	16	75
Net cash flows—financing activities	(223)	(179)
Net change in cash and cash equivalents	64	248
Net change in cash—discontinued operations	1	—
Cash and cash equivalents—beginning of period	571	199
Cash and cash equivalents—end of period	\$ 636	\$ 447

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Condensed Statement of Income (Unaudited)
(in millions)

	Three Months Ended September 30	
	2003	2002
Net sales	\$ 2,410	\$ 2,356
Other income	33	20
	<u>2,443</u>	<u>2,376</u>
Costs and expenses		
Cost of sales	2,176	2,118
Selling, general and administrative expenses	156	174
Restructuring charges		34
Interest expense	40	42
	<u>2,372</u>	<u>2,368</u>
Income before income taxes	71	8
Income tax expense	(25)	(12)
Minority interest	(2)	(4)
Equity in earnings of affiliates	17	7
	<u>61</u>	<u>(1)</u>
Income (loss) from continuing operations	61	(1)
Income from discontinued operations		5
	<u>\$ 61</u>	<u>\$ 4</u>

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Condensed Statement of Income (Unaudited)
(in millions)

	Nine Months Ended September 30	
	2003	2002
Net sales	\$ 7,393	\$ 7,253
Other income	71	47
	<u>7,464</u>	<u>7,300</u>
Costs and expenses		
Cost of sales	6,658	6,457
Selling, general and administrative expenses	529	558
Restructuring charges		122
Interest expense	123	131
	<u>7,310</u>	<u>7,268</u>
Income before income taxes	154	32
Income tax expense	(58)	(46)
Minority interest	(6)	(13)
Equity in earnings of affiliates	72	71
	<u>162</u>	<u>44</u>
Income from continuing operations before effect of change in accounting	162	44
Income (loss) from discontinued operations	(8)	3
	<u>154</u>	<u>47</u>
Income before effect of change in accounting	154	47
Effect of change in accounting		(220)
	<u>\$ 154</u>	<u>\$ (173)</u>

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Condensed Balance Sheet (Unaudited)
(in millions)

	September 30 2003	December 31 2002
Assets		
Current assets		
Cash and cash equivalents	\$ 550	\$ 551
Accounts receivable		
Trade	1,496	1,348
Other	306	209
Inventories	1,167	1,116
Other current assets	582	716
Total current assets	4,101	3,940
Property, plant and equipment, net	2,235	2,253
Investments and other assets	2,516	2,375
Total assets	\$ 8,852	\$ 8,568
Liabilities and Shareholders' Equity		
Current liabilities		
Notes payable	\$ 359	\$ 53
Accounts payable	1,187	1,004
Other current liabilities	1,287	1,555
Total current liabilities	2,833	2,612
Long-term debt	2,090	2,462
Deferred employee benefits and other noncurrent liabilities	1,980	1,906
Minority interest	99	106
Shareholders' equity	1,850	1,482
Total liabilities and shareholders' equity	\$ 8,852	\$ 8,568

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Cash Flow Impact on Net Debt
(in millions)

	Three Months Ended September 30	
	2003	2002
Sources		
Net income	\$ 61	\$ 4
Depreciation	78	96
Asset sales (non-restructuring)	1	1
Divestitures		31
Working capital decrease (increase)	3	(39)
	<u>143</u>	<u>93</u>
Uses		
Capital spend	(76)	(52)
Dividends	(2)	(2)
Acquisitions		(31)
Net changes in other accounts	11	81
	<u>(67)</u>	<u>(4)</u>
October 2001 restructuring cash impact		
After-tax charges		40
Cash payments	(28)	(30)
Proceeds from asset sales		4
	<u>(28)</u>	<u>14</u>
Cash change in net debt	\$ 48	\$ 103

Dana Corporation
(Including Dana Credit Corporation on an Equity Basis)
Cash Flow Impact on Net Debt
(in millions)

	Nine Months Ended September 30	
	2003	2002
Sources		
Net income (loss)	\$ 154	\$ (173)
Change in accounting for goodwill		220
	<u>154</u>	<u>220</u>
Net income before goodwill change	154	47
Depreciation	249	291
Asset sales (non-restructuring)	7	12
Divestitures	145	41
Working capital decrease (increase)	(219)	(15)
	<u>336</u>	<u>376</u>
Uses		
Capital spend	(209)	(186)
Dividends	(5)	(5)
Acquisitions		(31)
Net changes in other accounts	(19)	55
	<u>(233)</u>	<u>(167)</u>
October 2001 restructuring cash impact		
After-tax charges		119
Cash payments	(92)	(108)
Proceeds from asset sales	37	23
	<u>(55)</u>	<u>34</u>
Cash change in net debt	<u>\$ 48</u>	<u>\$ 243</u>

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

Three Months Ended September 30, 2003

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Net sales	\$ 2,410	\$	\$	\$ 2,410
Other income	33	27	(18)	42
	<u>2,443</u>	<u>27</u>	<u>(18)</u>	<u>2,452</u>
Costs and expenses				
Cost of sales	2,176		(11)	2,165
Selling, general and administrative expenses	156	22	(7)	171
Interest expense	40	15		55
	<u>2,372</u>	<u>37</u>	<u>(18)</u>	<u>2,391</u>
Income (loss) before income taxes	71	(10)	—	61
Income tax benefit (expense)	(25)	22		(3)
Minority interest	(2)			(2)
Equity in earnings of affiliates	17	5	(17)	5
Net income	<u>\$ 61</u>	<u>\$ 17</u>	<u>\$ (17)</u>	<u>\$ 61</u>

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

Nine Months Ended September 30, 2003

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Net sales	\$ 7,393	\$	\$	\$ 7,393
Other income	71	101	(60)	112
	<u>7,464</u>	<u>101</u>	<u>(60)</u>	<u>7,505</u>
Costs and expenses				
Cost of sales	6,658		(34)	6,624
Selling, general and administrative expenses	529	77	(26)	580
Interest expense	123	47		170
	<u>7,310</u>	<u>124</u>	<u>(60)</u>	<u>7,374</u>
Income (loss) before income taxes	154	(23)	—	131
Income tax benefit (expense)	(58)	55		(3)
Minority interest	(6)			(6)
Equity in earnings of affiliates	72	16	(48)	40
	<u>162</u>	<u>48</u>	<u>(48)</u>	<u>162</u>
Income from continuing operations				
Loss from discontinued operations	(8)			(8)
	<u>(8)</u>			<u>(8)</u>
Net income	<u>\$ 154</u>	<u>\$ 48</u>	<u>\$ (48)</u>	<u>\$ 154</u>

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

Three Months Ended September 30, 2002

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Net sales	\$ 2,356	\$	\$	\$ 2,356
Other income	20	55	(31)	44
	<u>2,376</u>	<u>55</u>	<u>(31)</u>	<u>2,400</u>
Costs and expenses				
Cost of sales	2,118		(15)	2,103
Selling, general and administrative expenses	174	37	(12)	199
Restructuring charges	34			34
Interest expense	42	21		63
	<u>2,368</u>	<u>58</u>	<u>(27)</u>	<u>2,399</u>
Income (loss) before income taxes	8	(3)	(4)	1
Income tax benefit (expense)	(12)	6	1	(5)
Minority interest	(4)			(4)
Equity in earnings of affiliates	7	6	(6)	7
Income (loss) from continuing operations	<u>(1)</u>	<u>9</u>	<u>(9)</u>	<u>(1)</u>
Income from discontinued operations	5			5
Net income	<u>\$ 4</u>	<u>\$ 9</u>	<u>\$ (9)</u>	<u>\$ 4</u>

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Condensed Consolidating Statement of Income (Unaudited)
(in millions)

Nine Months Ended September 30, 2002

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Net sales	\$ 7,253	\$	\$	\$ 7,253
Other income	47	220	(95)	172
	<u>7,300</u>	<u>220</u>	<u>(95)</u>	<u>7,425</u>
Costs and expenses				
Cost of sales	6,457		(45)	6,412
Selling, general and administrative expenses	558	120	(39)	639
Restructuring charges	122			122
Interest expense	131	64		195
	<u>7,268</u>	<u>184</u>	<u>(84)</u>	<u>7,368</u>
Income before income taxes	32	36	(11)	57
Income tax benefit (expense)	(46)	3	3	(40)
Minority interest	(13)			(13)
Equity in earnings of affiliates	71	18	(49)	40
Income from continuing operations	44	57	(57)	44
Income from discontinued operations	3			3
Income before effect of change in accounting	47	57	(57)	47
Effect of change in accounting	(220)			(220)
Net income (loss)	<u>\$ (173)</u>	<u>\$ 57</u>	<u>\$ (57)</u>	<u>\$ (173)</u>

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

September 30, 2003

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Assets				
Current assets				
Cash and cash equivalents	\$ 550	\$ 86	\$	\$ 636
Accounts receivable				
Trade	1,496			1,496
Other	306	7		313
Inventories	1,167			1,167
Other current assets	582	211	(171)	622
Total current assets	4,101	304	(171)	4,234
Property, plant and equipment, net	2,235	16	224	2,475
Investment in leases		882	(224)	658
Investments and other assets	2,516	520	(919)	2,117
Total assets	\$ 8,852	\$ 1,722	\$ (1,090)	\$ 9,484
Liabilities and Shareholders' Equity				
Current liabilities				
Notes payable	\$ 359	\$ 225	\$	\$ 584
Accounts payable	1,187			1,187
Other current liabilities	1,287	26	(171)	1,142
Total current liabilities	2,833	251	(171)	2,913
Long-term debt	2,090	563		2,653
Deferred employee benefits and other noncurrent liabilities	1,980	584	(596)	1,968
Minority interest	99	1		100
Shareholders' equity	1,850	323	(323)	1,850
Total liabilities and shareholders' equity	\$ 8,852	\$ 1,722	\$ (1,090)	\$ 9,484

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

December 31, 2002

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Assets				
Current assets				
Cash and cash equivalents	\$ 551	\$ 20	\$	\$ 571
Accounts receivable				
Trade	1,348			1,348
Other	209	111		320
Inventories	1,116			1,116
Other current assets	716	105	(58)	763
Total current assets	3,940	236	(58)	4,118
Property, plant and equipment, net	2,253	39	264	2,556
Investment in leases		1,091	(264)	827
Investments and other assets	2,375	569	(892)	2,052
Total assets	\$ 8,568	\$ 1,935	\$ (950)	\$ 9,553
Liabilities and Shareholders' Equity				
Current liabilities				
Notes payable	\$ 53	\$ 234	\$	\$ 287
Accounts payable	1,004			1,004
Other current liabilities	1,555	37	(59)	1,533
Total current liabilities	2,612	271	(59)	2,824
Long-term debt	2,462	753		3,215
Deferred employee benefits and other noncurrent liabilities	1,906	639	(620)	1,925
Minority interest	106	1		107
Shareholders' equity	1,482	271	(271)	1,482
Total liabilities and shareholders' equity	\$ 8,568	\$ 1,935	\$ (950)	\$ 9,553

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts reported for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt
(in millions)

Three Months Ended September 30, 2003

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Sources				
Net income	\$ 61	\$ 17	\$ (17)	\$ 61
Depreciation	78	14		92
Asset sales (non-restructuring)	1	30	(4)	27
Working capital decrease (increase)	3	(4)	(4)	(5)
	<u>143</u>	<u>57</u>	<u>(25)</u>	<u>175</u>
Uses				
Capital spend	(76)	(1)	4	(73)
Dividends	(2)			(2)
Net changes in other accounts	11	(4)	21	28
	<u>(67)</u>	<u>(5)</u>	<u>25</u>	<u>(47)</u>
October 2001 restructuring cash impact				
Cash payments	(28)			(28)
Proceeds from asset sales				—
	<u>(28)</u>	<u>—</u>	<u>—</u>	<u>(28)</u>
Cash change in net debt	\$ 48	\$ 52	\$ —	\$ 100
Analysis of components of increase (decrease) in net debt:				
Net change in short-term debt	\$ 92	\$	\$	\$ 92
Repurchases of long-term debt	(140)			(140)
Payments on long-term debt	3	(52)		(49)
Change in cash	(3)			(3)
Cash change in net debt	(48)	(52)	—	(100)
Non-cash changes in net debt	(53)	(1)		(54)
Total change in net debt	\$ (101)	\$ (53)	\$ —	\$ (154)

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt
(in millions)

Nine Months Ended September 30, 2003

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Sources				
Net income	\$ 154	\$ 48	\$ (48)	\$ 154
Depreciation	249	45		294
Asset sales (non-restructuring)	7	167	(5)	169
Divestitures	145			145
Working capital decrease (increase)	(219)	(8)	2	(225)
	<u>336</u>	<u>252</u>	<u>(51)</u>	<u>537</u>
Uses				
Capital spend	(209)	(9)	3	(215)
Dividends	(5)			(5)
Net changes in other accounts	(19)	(11)	48	18
	<u>(233)</u>	<u>(20)</u>	<u>51</u>	<u>(202)</u>
October 2001 restructuring cash impact				
Cash payments	(92)			(92)
Proceeds from asset sales	37			37
	<u>(55)</u>	<u>—</u>	<u>—</u>	<u>(55)</u>
Cash change in net debt	\$ 48	\$ 232	\$ —	\$ 280
Analysis of components of increase (decrease) in net debt:				
Net change in short-term debt	\$ 87	\$ (96)	\$ —	\$ (9)
Repurchases of long-term debt	(140)			(140)
Proceeds from swap settlement	18			18
Net payments on long-term debt	(15)	(70)		(85)
Change in cash	2	(66)		(64)
	<u>(48)</u>	<u>(232)</u>	<u>—</u>	<u>(280)</u>
Cash change in net debt	(48)	(232)	—	(280)
Non-cash changes in net debt	(17)	(33)		(50)
	<u>(65)</u>	<u>(265)</u>	<u>—</u>	<u>(330)</u>
Total change in net debt	\$ (65)	\$ (265)	\$ —	\$ (330)

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt
(in millions)

Three Months Ended September 30, 2002

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Sources				
Net income	\$ 4	\$ 8	\$ (8)	\$ 4
Depreciation	96	22		118
Asset sales	1	32	(29)	4
Divestitures	31	132		163
Working capital increase	(39)	(2)	(4)	(45)
	<u>93</u>	<u>192</u>	<u>(41)</u>	<u>244</u>
Uses				
Capital spend	(52)	(53)	20	(85)
Dividends	(2)			(2)
Acquisitions	(31)			(31)
Net changes in other accounts	81	(83)	21	19
	<u>(4)</u>	<u>(136)</u>	<u>41</u>	<u>(99)</u>
October 2001 restructuring cash impact				
After-tax charges	40			40
Cash payments	(30)			(30)
Proceeds from asset sales	4			4
	<u>14</u>	<u>—</u>	<u>—</u>	<u>14</u>
Cash change in net debt	\$ 103	\$ 56	\$ —	\$ 159
Analysis of components of increase (decrease) in net debt:				
Net change in short-term debt	\$ (82)	\$ 23	\$ —	\$ (59)
Proceeds from long-term debt	—	—		—
Proceeds from swap termination	72			72
Payments on long term debt	(21)	(22)		(43)
Change in cash	(72)	(57)		(129)
Cash change in net debt	(103)	(56)	—	(159)
Non-cash changes in net debt	(11)	(16)		(27)
Total change in net debt	\$ (114)	\$ (72)	\$ —	\$ (186)

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.

Dana Corporation
Consolidating Cash Flow Impact on Net Debt
(in millions)

Nine Months Ended September 30, 2002

	Dana with DCC on Equity Basis	DCC	Elimination Entries	Dana Consolidated
Sources				
Net income (loss)	\$ (173)	\$ 56	\$ (56)	\$ (173)
Change in accounting for goodwill	220			220
Net income before goodwill change	47	56	(56)	47
Depreciation	291	69		360
Asset sales	12	32		44
Divestitures	41	194		235
Working capital increase	(15)	(14)	7	(22)
	376	337	(49)	664
Uses				
Capital spend	(186)	(55)	(9)	(250)
Dividends	(5)			(5)
Acquisitions	(31)			(31)
Net changes in other accounts	55	(97)	58	16
	(167)	(152)	49	(270)
October 2001 restructuring cash impact				
After-tax charges	119			119
Cash payments	(108)			(108)
Proceeds from asset sales	23			23
	34	—	—	34
Cash change in net debt	\$ 243	\$ 185	\$ —	\$ 428
Analysis of components of increase (decrease) in net debt:				
Net change in short-term debt	\$ (207)	\$ (63)	\$	\$ (270)
Proceeds from long-term debt	250	35		285
Proceeds from swap termination	72			72
Payments on long term debt	(167)	(100)		(267)
Change in cash	(191)	(57)		(248)
Cash change in net debt	(243)	(185)	—	(428)
Non-cash changes in net debt	40	(11)		29
Total change in net debt	\$ (203)	\$ (196)	\$ —	\$ (399)

This consolidating statement provides a reconciliation of the amounts presented for Dana with Dana Credit Corporation (DCC) on an equity basis to amounts presented for Dana Corporation on a fully consolidated basis.



Investor Relations
Dana Corporation
Quarterly Financial Information (Unaudited)
For Nine Months Ended September 30, 2003
(in millions)

	External Sales		Inter-Segment Sales		EBIT		Operating PAT		Net Profit		Net Assets	
	03	02	03	02	03	02	03	02	03	02	03	02
Automotive Systems Group	\$ 2,773	\$ 2,655	\$ 95	\$ 70	\$ 155	\$ 153	\$ 116	\$ 116	\$ 52	\$ 52	\$ 1,912	\$ 1,796
Automotive Aftermarket Group	1,656	1,678	10	12	94	134	59	82	14	36	1,005	1,001
Engine and Fluid Management Group	1,494	1,496	71	75	98	95	64	62	31	28	1,030	948
Heavy Vehicle Technologies and Systems Group	1,425	1,378	58	74	93	86	57	53	17	15	635	674
Dana Commercial Credit							18	24	18	24	324	258
Other	45	46	5	10	(185)	(164)	(187)	(197)	(5)	(15)	13	21
Continuing Operations	7,393	7,253	239	241	255	304	127	140	127	140	4,919	4,698
Discontinued Operations					(9)	(3)	(6)	(1)	(6)	(1)		
Unusual Items Excluded from Performance Measurement					5	(158)	33	(92)	33	(92)		
Effect of change in Accounting								(220)		(220)		
Consolidated	\$ 7,393	\$ 7,253	\$ 239	\$ 241	\$ 251	\$ 143	\$ 154	\$ (173)	\$ 154	\$ (173)	\$ 4,919	\$ 4,698
North America	\$ 5,300	\$ 5,500	\$ 61	\$ 28	\$ 261	\$ 351	\$ 154	\$ 217	\$ 41	\$ 91	\$ 3,003	\$ 2,980
Europe	1,292	1,111	62	53	79	48	61	42	32	15	1,197	1,095
South America	406	367	139	137	58	54	36	33	27	25	338	296
Asia Pacific	395	275	2	1	37	12	24	8	13		179	178
Dana Commercial Credit							18	24	18	24	324	258
Other					(180)	(161)	(166)	(184)	(4)	(15)	(122)	(109)
Continuing Operations	7,393	7,253	264	219	255	304	127	140	127	140	4,919	4,698
Discontinued Operations					(9)	(3)	(6)	(1)	(6)	(1)		
Unusual Items Excluded from Performance Measurement					5	(158)	33	(92)	33	(92)		
Effect of change in Accounting								(220)		(220)		
Consolidated	\$ 7,393	\$ 7,253	\$ 264	\$ 219	\$ 251	\$ 143	\$ 154	\$ (173)	\$ 154	\$ (173)	\$ 4,919	\$ 4,698
Information for Discontinued Operations	155	623	6	50								

The differences between the Net Profit (Loss) amounts reported for discontinued operations above and the income (loss) from discontinued operations reported on the condensed statement of income result from the separate reporting of unusual items excluded from performance measurement, which include amounts recorded by our discontinued operations.

See Notes 20 and 21 in Dana's 2002 Annual Report for further information (WWW.Dana.Com)

FOR MORE INFORMATION

(WWW.Dana.Com)—Dial-For-Dana U.S. or Canada 800-537-8823; OH 800-472-8810

E-Mail Michelle.Hards@Dana.com or Karen.Crawford@Dana.Com

Dana Investor Relations 419-535-4635



Investor Relations
Dana Corporation
Quarterly Financial Information (Unaudited)
Q3 – 2003
(in millions)

	External Sales		Inter-Segment Sales		EBIT		Operating PAT		Net Profit		Net Assets	
	03	02	03	02	03	02	03	02	03	02	03	02
Automotive Systems Group	\$ 895	\$ 836	\$ 33	\$ 23	\$ 57	\$ 42	\$ 35	\$ 28	\$ 12	\$ 9	\$ 1,912	\$ 1,796
Automotive Aftermarket Group	571	558	3	5	42	43	26	26	9	12	1,005	1,001
Engine and Fluid Management Group	458	473	24	25	28	28	18	18	7	8	1,030	948
Heavy Vehicle Technologies and Systems Group	471	474	17	20	38	32	23	20	9	7	635	674
Dana Commercial Credit							6	7	6	7	324	258
Other	15	15	2	2	(70)	(48)	(65)	(61)		(5)	13	21
Continuing Operations	2,410	2,356	79	75	95	97	43	38	43	38	4,919	4,698
Discontinued Operations						7		6		6		
Unusual Items Excluded from Performance Measurement					12	(50)	18	(40)	18	(40)		
Consolidated	\$ 2,410	\$ 2,356	\$ 79	\$ 75	\$ 107	\$ 54	\$ 61	\$ 4	\$ 61	\$ 4	\$ 4,919	\$ 4,698
North America	\$ 1,709	\$ 1,773	\$ 19	\$ 10	\$ 94	\$ 96	\$ 54	\$ 58	\$ 15	\$ 19	\$ 3,003	\$ 2,980
Europe	410	361	20	16	28	20	15	13	5	4	1,197	1,095
South America	157	116	48	48	25	23	16	14	12	11	338	296
Asia Pacific	134	106	1	1	13	6	8	4	4	1	179	178
Dana Commercial Credit							6	7	6	7	324	258
Other					(65)	(48)	(56)	(58)	1	(4)	(122)	(109)
Continuing Operations	2,410	2,356	88	75	95	97	43	38	43	38	4,919	4,698
Discontinued Operations						7		6		6		
Unusual Items Excluded from Performance Measurement					12	(50)	18	(40)	18	(40)		
Consolidated	\$ 2,410	\$ 2,356	\$ 88	\$ 75	\$ 107	\$ 54	\$ 61	\$ 4	\$ 61	\$ 4	\$ 4,919	\$ 4,698
Information for Discontinued Operations		210		17								

The differences between the Net Profit (Loss) amounts reported for discontinued operations above and the income (loss) from discontinued operations reported on the condensed statement of income result from the separate reporting of unusual items excluded from performance measurement, which include amounts recorded by our discontinued operations.

See Notes 20 and 21 in Dana's 2002 Annual Report for further information (WWW.Dana.Com)

FOR MORE INFORMATION

(WWW.Dana.Com)—Dial-For-Dana U.S. or Canada 800-537-8823; OH 800-472-8810
E-Mail Michelle.Hards@Dana.com or Karen.Crawford@Dana.Com
Dana Investor Relations 419-535-4635