

DANA INCORPORATED

Quarterly Financial Information and Reconciliations of Non-GAAP Financial Measures

Non-GAAP Financial Measures

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

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

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

Free cash flow is a non-GAAP financial measure which we have defined as net cash provided by (used in) operating activities less purchases of property, plant and equipment. Adjusted free cash flow is a non-GAAP financial measure which we have defined as net cash provided by (used in) operating activities excluding discretionary pension contributions less purchases of property, plant and equipment. We believe these measures are useful to investors in evaluating the operational cash flow of the company inclusive of the spending required to maintain the operations. Free cash flow and adjusted free cash flow are not intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported in accordance with GAAP. Free cash flow and adjusted 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, free cash flow and adjusted free cash flow to the most directly comparable financial measures calculated and presented in accordance with GAAP. We have not provided a reconciliation of our adjusted EBITDA and diluted adjusted EPS outlook to the most comparable GAAP measures of net income (loss) and diluted EPS. Providing net income (loss) and diluted EPS guidance is potentially misleading and not practical given the difficulty of projecting event driven transactional and other non-core operating items that are included in net income (loss) and diluted EPS, including restructuring actions, asset impairments and certain income tax adjustments. The accompanying reconciliations of these non-GAAP measures with the most comparable GAAP measures for the historical periods presented are indicative of the reconciliations that will be prepared upon completion of the periods covered by the non-GAAP guidance.

DANA INCORPORATED
Consolidated Statement of Operations (Unaudited)
For the Three Months Ended September 30, 2021 and 2020

| (In millions, except per share amounts) | Three Months Ended | |
|--|--------------------|--------------|
| | September 30, | |
| | 2021 | 2020 |
| Net sales | \$ 2,204 | \$ 1,994 |
| Costs and expenses | | |
| Cost of sales | 1,998 | 1,780 |
| Selling, general and administrative expenses | 103 | 111 |
| Amortization of intangibles | 4 | 4 |
| Restructuring charges, net | 1 | 2 |
| Other income (expense), net | (4) | (8) |
| Earnings before interest and income taxes | 94 | 89 |
| Interest income | 2 | 3 |
| Interest expense | 31 | 38 |
| Earnings before income taxes | 65 | 54 |
| Income tax expense | 20 | 16 |
| Equity in earnings of affiliates | 5 | 7 |
| Net income | 50 | 45 |
| Less: Noncontrolling interests net income | 4 | 4 |
| Less: Redeemable noncontrolling interests net loss | (2) | (4) |
| Net income attributable to the parent company | <u>\$ 48</u> | <u>\$ 45</u> |
| Net income per share available to common stockholders | | |
| Basic | \$ 0.33 | \$ 0.31 |
| Diluted | \$ 0.33 | \$ 0.31 |
| Weighted-average shares outstanding - Basic | 144.8 | 144.5 |
| Weighted-average shares outstanding - Diluted | 146.2 | 145.2 |

DANA INCORPORATED
Consolidated Statement of Operations (Unaudited)
For the Nine Months Ended September 30, 2021 and 2020

(In millions, except per share amounts)

| | Nine Months Ended | |
|---|-------------------|----------------|
| | September 30, | |
| | 2021 | 2020 |
| Net sales | \$ 6,672 | \$ 4,998 |
| Costs and expenses | | |
| Cost of sales | 5,963 | 4,588 |
| Selling, general and administrative expenses | 348 | 299 |
| Amortization of intangibles | 11 | 10 |
| Restructuring charges, net | 2 | 21 |
| Impairment of goodwill | | (51) |
| Other income (expense), net | (33) | (5) |
| Earnings before interest and income taxes | 315 | 24 |
| Loss on extinguishment of debt | (24) | (5) |
| Interest income | 6 | 7 |
| Interest expense | 99 | 99 |
| Earnings (loss) before income taxes | 198 | (73) |
| Income tax expense | 56 | 34 |
| Equity in earnings of affiliates | 29 | 17 |
| Net income (loss) | 171 | (90) |
| Less: Noncontrolling interests net income | 9 | 6 |
| Less: Redeemable noncontrolling interests net loss | (10) | (25) |
| Net income (loss) attributable to the parent company | <u>\$ 172</u> | <u>\$ (71)</u> |
| Net income (loss) per share available to common stockholders | | |
| Basic | \$ 1.19 | \$ (0.49) |
| Diluted | \$ 1.17 | \$ (0.49) |
| Weighted-average shares outstanding - Basic | 145.0 | 144.4 |
| Weighted-average shares outstanding - Diluted | 146.4 | 144.4 |

DANA INCORPORATED
Consolidated Statement of Comprehensive Income (Unaudited)
For the Three Months Ended September 30, 2021 and 2020

(In millions)

| | Three Months Ended September 30, | |
|--|-------------------------------------|--------------|
| | 2021 | 2020 |
| Net income | \$ 50 | \$ 45 |
| Other comprehensive income (loss), net of tax: | | |
| Currency translation adjustments | (25) | 14 |
| Hedging gains and losses | (9) | 1 |
| Defined benefit plans | 4 | 4 |
| Other comprehensive income (loss) | (30) | 19 |
| Total comprehensive income | 20 | 64 |
| Less: Comprehensive income attributable to noncontrolling interests | (4) | (15) |
| Less: Comprehensive loss attributable to redeemable noncontrolling interests | 4 | 8 |
| Comprehensive income attributable to the parent company | <u>\$ 20</u> | <u>\$ 57</u> |

DANA INCORPORATED
Consolidated Statement of Comprehensive Income (Unaudited)
For the Nine Months Ended September 30, 2021 and 2020

(In millions)

| | Nine Months Ended September 30, | |
|--|------------------------------------|-----------------|
| | 2021 | 2020 |
| Net income (loss) | \$ 171 | \$ (90) |
| Other comprehensive income (loss), net of tax: | | |
| Currency translation adjustments | (11) | (133) |
| Hedging gains and losses | (10) | 40 |
| Defined benefit plans | 11 | 11 |
| Other comprehensive loss | (10) | (82) |
| Total comprehensive income (loss) | 161 | (172) |
| Less: Comprehensive (income) loss attributable to noncontrolling interests | 2 | (7) |
| Less: Comprehensive loss attributable to redeemable noncontrolling interests | | 25 |
| Comprehensive income (loss) attributable to the parent company | <u>\$ 163</u> | <u>\$ (154)</u> |

DANA INCORPORATED
Consolidated Balance Sheet (Unaudited)
As of September 30, 2021 and December 31, 2020

(In millions, except share and per share amounts)

| | September 30, 2021 | December 31, 2020 |
|--|-----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 220 | \$ 559 |
| Marketable securities | 18 | 21 |
| Accounts receivable | | |
| Trade, less allowance for doubtful accounts of \$7 in 2021 and \$7 in 2020 | 1,404 | 1,201 |
| Other | 239 | 231 |
| Inventories | 1,546 | 1,149 |
| Other current assets | 176 | 127 |
| Total current assets | 3,603 | 3,288 |
| Goodwill | 483 | 479 |
| Intangibles | 240 | 236 |
| Deferred tax assets | 591 | 611 |
| Other noncurrent assets | 127 | 169 |
| Investments in affiliates | 174 | 152 |
| Operating lease assets | 188 | 190 |
| Property, plant and equipment, net | 2,171 | 2,251 |
| Total assets | \$ 7,577 | \$ 7,376 |
| Liabilities and equity | | |
| Current liabilities | | |
| Short-term debt | \$ 70 | \$ 26 |
| Current portion of long-term debt | 8 | 8 |
| Accounts payable | 1,513 | 1,331 |
| Accrued payroll and employee benefits | 206 | 190 |
| Taxes on income | 43 | 35 |
| Current portion of operating lease liabilities | 40 | 43 |
| Other accrued liabilities | 293 | 308 |
| Total current liabilities | 2,173 | 1,941 |
| Long-term debt, less debt issuance costs of \$28 in 2021 and \$27 in 2020 | 2,387 | 2,420 |
| Noncurrent operating lease liabilities | 154 | 154 |
| Pension and postretirement obligations | 454 | 479 |
| Other noncurrent liabilities | 302 | 368 |
| Total liabilities | 5,470 | 5,362 |
| Commitments and contingencies | | |
| Redeemable noncontrolling interests | 195 | 180 |
| Parent company stockholders' equity | | |
| Preferred stock, 50,000,000 shares authorized, \$0.01 par value, no shares outstanding | - | - |
| Common stock, 450,000,000 shares authorized, \$0.01 par value, 144,228,817 and 144,515,658 shares outstanding | 2 | 2 |
| Additional paid-in capital | 2,425 | 2,408 |
| Retained earnings | 648 | 530 |
| Treasury stock, at cost (11,659,073 and 10,442,582 shares) | (184) | (156) |
| Accumulated other comprehensive loss | (1,035) | (1,026) |
| Total parent company stockholders' equity | 1,856 | 1,758 |
| Noncontrolling interests | 56 | 76 |
| Total equity | 1,912 | 1,834 |
| Total liabilities and equity | \$ 7,577 | \$ 7,376 |

DANA INCORPORATED
Consolidated Statement of Cash Flows (Unaudited)
For the Three Months Ended September 30, 2021 and 2020

| (In millions) | Three Months Ended | |
|--|--------------------|---------------|
| | September 30, | |
| | 2021 | 2020 |
| Operating activities | | |
| Net income | \$ 50 | \$ 45 |
| Depreciation | 92 | 88 |
| Amortization | 6 | 6 |
| Amortization of deferred financing charges | 2 | 2 |
| Earnings of affiliates, net of dividends received | (4) | (6) |
| Stock compensation expense | 6 | 2 |
| Deferred income taxes | 36 | (20) |
| Pension expense, net | | 1 |
| Change in working capital | (262) | 178 |
| Other, net | (1) | 25 |
| Net cash provided by (used in) operating activities | (75) | 321 |
| Investing activities | | |
| Purchases of property, plant and equipment | (95) | (60) |
| Investments in affiliates | (23) | (4) |
| Purchases of marketable securities | (9) | (21) |
| Proceeds from sales of marketable securities | 17 | (8) |
| Proceeds from maturities of marketable securities | 27 | 27 |
| Settlements of undesignated derivatives | 2 | |
| Other, net | 1 | 14 |
| Net cash used in investing activities | (80) | (52) |
| Financing activities | | |
| Net change in short-term debt | 49 | 6 |
| Proceeds from long-term debt | 2 | 2 |
| Repayment of long-term debt | (2) | (9) |
| Deferred financing payments | | (2) |
| Dividends paid to common stockholders | (15) | |
| Distributions to noncontrolling interests | (8) | (7) |
| Contributions from noncontrolling interests | 3 | 1 |
| Deconsolidation of non-wholly owned subsidiary | (6) | |
| Repurchases of common stock | (23) | |
| Other, net | | (1) |
| Net cash used in financing activities | | (10) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | (155) | 259 |
| Cash, cash equivalents and restricted cash – beginning of period | 403 | 702 |
| Effect of exchange rate changes on cash balances | (9) | 5 |
| Cash, cash equivalents and restricted cash – end of period | \$ 239 | \$ 966 |

DANA INCORPORATED
Consolidated Statement of Cash Flows (Unaudited)
For the Nine Months Ended September 30, 2021 and 2020

| (In millions) | Nine Months Ended | |
|--|-------------------|---------------|
| | September 30, | |
| | 2021 | 2020 |
| Operating activities | | |
| Net income (loss) | \$ 171 | \$ (90) |
| Depreciation | 272 | 257 |
| Amortization | 18 | 15 |
| Amortization of deferred financing charges | 5 | 6 |
| Redemption premium on debt | 21 | |
| Write-off of deferred financing costs | 3 | 5 |
| Earnings of affiliates, net of dividends received | (11) | 5 |
| Stock compensation expense | 15 | 5 |
| Deferred income taxes | 8 | (28) |
| Pension expense, net | | 3 |
| Impairment of goodwill | | 51 |
| Change in working capital | (501) | (50) |
| Other, net | 18 | 16 |
| Net cash provided by operating activities | 19 | 195 |
| Investing activities | | |
| Purchases of property, plant and equipment | (228) | (181) |
| Acquisition of businesses, net of cash acquired | (18) | (6) |
| Investments in affiliates | (23) | (4) |
| Proceeds from sale of subsidiary, net of cash disposed | (4) | |
| Purchases of marketable securities | (25) | (36) |
| Proceeds from sales of marketable securities | 30 | 5 |
| Proceeds from maturities of marketable securities | 27 | 27 |
| Settlement of terminated fixed-to-fixed cross currency swap | (22) | |
| Settlements of undesignated derivatives | (2) | (5) |
| Other, net | 5 | 7 |
| Net cash used in investing activities | (260) | (193) |
| Financing activities | | |
| Net change in short-term debt | 43 | (2) |
| Proceeds from long-term debt | 802 | 512 |
| Repayment of long-term debt | (805) | (12) |
| Redemption premium on debt | (21) | |
| Deferred financing payments | (13) | (13) |
| Dividends paid to common stockholders | (44) | (15) |
| Distributions to noncontrolling interests | (10) | (10) |
| Sale of interest to noncontrolling shareholder | | 7 |
| Contributions from noncontrolling interests | 6 | 3 |
| Deconsolidation of non-wholly owned subsidiary | (6) | |
| Payments to acquire noncontrolling interests | | (1) |
| Repurchases of common stock | (23) | |
| Other, net | | (3) |
| Net cash provided by (used in) financing activities | (71) | 466 |
| Net increase (decrease) in cash, cash equivalents and restricted cash | (312) | 468 |
| Cash, cash equivalents and restricted cash – beginning of period | 567 | 518 |
| Effect of exchange rate changes on cash balances | (16) | (20) |
| Cash, cash equivalents and restricted cash – end of period | \$ 239 | \$ 966 |

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

| (In millions) | Three Months Ended | |
|--|--------------------|---------------|
| | September 30, | |
| | 2021 | 2020 |
| Net cash provided by (used in) operating activities | \$ (75) | \$ 321 |
| Purchase of property, plant and equipment | (95) | (60) |
| Free cash flow | (170) | 261 |
| Discretionary pension contributions | | |
| Adjusted free cash flow | <u>\$ (170)</u> | <u>\$ 261</u> |

| (In millions) | Nine Months Ended | |
|--|-------------------|--------------|
| | September 30, | |
| | 2021 | 2020 |
| Net cash provided by operating activities | \$ 19 | \$ 195 |
| Purchase of property, plant and equipment | (228) | (181) |
| Free cash flow | (209) | 14 |
| Discretionary pension contributions | | |
| Adjusted free cash flow | <u>\$ (209)</u> | <u>\$ 14</u> |

DANA INCORPORATED
Segment Sales and Segment EBITDA (Unaudited)
For the Three Months Ended September 30, 2021 and 2020

| (In millions) | Three Months Ended | |
|--|--------------------|-----------------|
| | September 30, | |
| | 2021 | 2020 |
| Sales | | |
| Light Vehicle | \$ 918 | \$ 913 |
| Commercial Vehicle | 396 | 317 |
| Off-Highway | 627 | 504 |
| Power Technologies | 263 | 260 |
| Total Sales | <u>\$ 2,204</u> | <u>\$ 1,994</u> |
| Segment EBITDA | | |
| Light Vehicle | \$ 54 | \$ 89 |
| Commercial Vehicle | 20 | 17 |
| Off-Highway | 100 | 64 |
| Power Technologies | 38 | 34 |
| Total Segment EBITDA | <u>212</u> | <u>204</u> |
| Corporate expense and other items, net | <u>(2)</u> | <u>(3)</u> |
| Adjusted EBITDA | <u>\$ 210</u> | <u>\$ 201</u> |

DANA INCORPORATED
Segment Sales and Segment EBITDA (Unaudited)
For the Nine Months Ended September 30, 2021 and 2020

| (In millions) | Nine Months Ended | |
|--|-------------------|-----------------|
| | September 30, | |
| | 2021 | 2020 |
| Sales | | |
| Light Vehicle | \$ 2,799 | \$ 2,058 |
| Commercial Vehicle | 1,132 | 852 |
| Off-Highway | 1,931 | 1,435 |
| Power Technologies | 810 | 653 |
| Total Sales | <u>\$ 6,672</u> | <u>\$ 4,998</u> |
| Segment EBITDA | | |
| Light Vehicle | \$ 241 | \$ 140 |
| Commercial Vehicle | 53 | 32 |
| Off-Highway | 276 | 172 |
| Power Technologies | 111 | 63 |
| Total Segment EBITDA | <u>681</u> | <u>407</u> |
| Corporate expense and other items, net | <u>(4)</u> | <u>(6)</u> |
| Adjusted EBITDA | <u>\$ 677</u> | <u>\$ 401</u> |

DANA INCORPORATED
Reconciliation of Segment and Adjusted EBITDA to Net Income (Unaudited)
For the Three Months Ended September 30, 2021 and 2020

| (In millions) | Three Months Ended | |
|---|--------------------|--------------|
| | September 30, | |
| | 2021 | 2020 |
| Segment EBITDA | \$ 212 | \$ 204 |
| Corporate expense and other items, net | (2) | (3) |
| Adjusted EBITDA | 210 | 201 |
| Depreciation | (92) | (88) |
| Amortization | (6) | (6) |
| Non-service cost components of pension and OPEB costs | (2) | (3) |
| Restructuring charges, net | (1) | (2) |
| Stock compensation expense | (6) | (2) |
| Strategic transaction expenses | (3) | (4) |
| Amounts attributable to previously divested/closed operations | (1) | |
| Gain on investment in Hyliion | (6) | |
| Other items | 1 | (7) |
| Earnings before interest and income taxes | 94 | 89 |
| Interest income | 2 | 3 |
| Interest expense | 31 | 38 |
| Earnings before income taxes | 65 | 54 |
| Income tax expense | 20 | 16 |
| Equity in earnings of affiliates | 5 | 7 |
| Net income | \$ 50 | \$ 45 |

DANA INCORPORATED
Reconciliation of Segment and Adjusted EBITDA to Net Income (Unaudited)
For the Nine Months Ended September 30, 2021 and 2020

| (In millions) | Nine Months Ended | |
|---|-------------------|----------------|
| | September 30, | |
| | 2021 | 2020 |
| Segment EBITDA | \$ 681 | \$ 407 |
| Corporate expense and other items, net | (4) | (6) |
| Adjusted EBITDA | 677 | 401 |
| Depreciation | (272) | (257) |
| Amortization | (18) | (15) |
| Non-service cost components of pension and OPEB costs | (7) | (8) |
| Restructuring charges, net | (2) | (21) |
| Stock compensation expense | (15) | (5) |
| Strategic transaction expenses | (11) | (15) |
| Amounts attributable to previously divested/closed operations | (1) | |
| Loss on investment in Hylion | (20) | |
| Loss on disposal group held for sale | (7) | |
| Loss on de-designation of fixed-to-fixed cross currency swaps | (9) | |
| Impairment of goodwill | | (51) |
| Other items | | (5) |
| Earnings before interest and income taxes | 315 | 24 |
| Loss on extinguishment of debt | (24) | (5) |
| Interest income | 6 | 7 |
| Interest expense | 99 | 99 |
| Earnings (loss) before income taxes | 198 | (73) |
| Income tax expense | 56 | 34 |
| Equity in earnings of affiliates | 29 | 17 |
| Net income (loss) | \$ 171 | \$ (90) |

DANA INCORPORATED
Reconciliation of Net Income Attributable to the Parent Company to
Adjusted Net Income Attributable to the Parent Company and
Diluted Adjusted EPS (Unaudited)
For the Three Months Ended September 30, 2021 and 2020

(In millions, except per share amounts)

| | Three Months Ended September 30, | |
|---|-------------------------------------|--------------|
| | 2021 | 2020 |
| Net income attributable to parent company | \$ 48 | \$ 45 |
| Items impacting income before income taxes: | | |
| Amortization | 5 | 5 |
| Restructuring charges, net | 1 | 3 |
| Strategic transaction expenses | | 4 |
| Gain on investment in Hylion | 6 | |
| Other items | 3 | |
| Items impacting income taxes: | | |
| Net income tax expense on items above | (4) | (3) |
| Income tax expense (benefit) attributable to various discrete tax matters | 1 | (1) |
| Adjusted net income attributable to the parent | <u>\$ 60</u> | <u>\$ 53</u> |
| Diluted shares - as reported | 146.2 | 145.2 |
| Adjusted diluted shares | 146.2 | 145.2 |
| Diluted adjusted EPS | \$ 0.41 | \$ 0.37 |

DANA INCORPORATED
Reconciliation of Net Income (Loss) Attributable to the Parent Company to
Adjusted Net Income Attributable to the Parent Company and
Diluted Adjusted EPS (Unaudited)
For the Nine Months Ended September 30, 2021 and 2020

(In millions, except per share amounts)

| | Nine Months Ended September 30, | |
|---|------------------------------------|----------------|
| | 2021 | 2020 |
| Net income (loss) attributable to parent company | \$ 172 | \$ (71) |
| Items impacting income before income taxes: | | |
| Amortization | 15 | 13 |
| Restructuring charges, net | 2 | 21 |
| Strategic transaction expenses | 8 | 15 |
| Loss on investment in Hylion | 20 | |
| Loss on disposal group held for sale | 7 | |
| Loss on extinguishment of debt | 24 | 5 |
| Loss on de-designation of fixed-to-fixed cross currency swaps | 9 | |
| Other items | 5 | |
| Impairment of goodwill | | 31 |
| Items impacting income taxes: | | |
| Net income tax expense on items above | (14) | (14) |
| Income tax expense (benefit) attributable to various discrete tax matters | (5) | 22 |
| Adjusted net income attributable to the parent | \$ 243 | \$ 22 |
| Diluted shares - as reported | 146.4 | 144.9 |
| Adjusted diluted shares | 146.4 | 144.9 |
| Diluted adjusted EPS | \$ 1.66 | \$ 0.15 |