



2024 Third-Quarter Earnings Conference Call

October 30, 2024

Value Others | Inspire Innovation | Grow Responsibly | Win Together

Safe Harbor Statement



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

Agenda



120 YEARS



Craig Barber

Senior Director, Investor Relations and Corporate Communications

Introduction

James Kamsickas

Chairman and Chief Executive Officer

Business Review

Timothy Kraus

Senior Vice President and Chief Financial Officer

Financial Review

Highlights



Q3 Financial Results

sales

\$2.5 billion  **\$193 million**
from prior year

adjusted EBITDA

\$232 million  **\$10 million**
from prior year

margin

9.4 percent  **30 bps**
from prior year

Key Highlights

End-market demand

- Further weakening demand for EVs & ICE vehicle programs
- Lower off-highway equipment demand

Company-wide efficiency

- Conversion on traditional organic sales supports full-year margin
- Variable and fixed improvements

Maintained returns on lower market demand

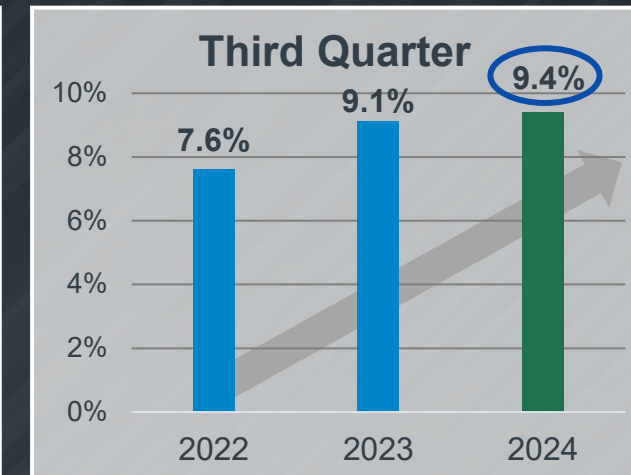
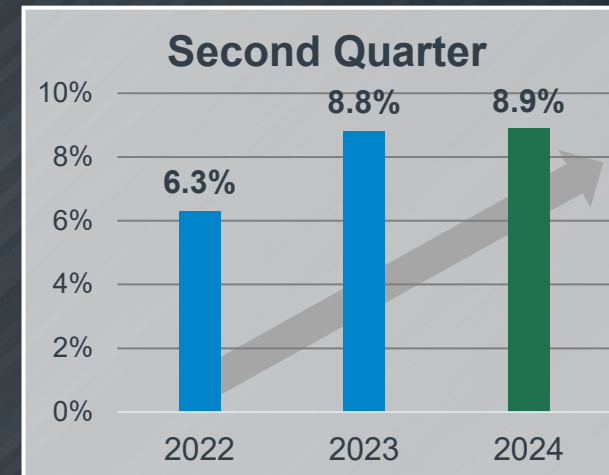
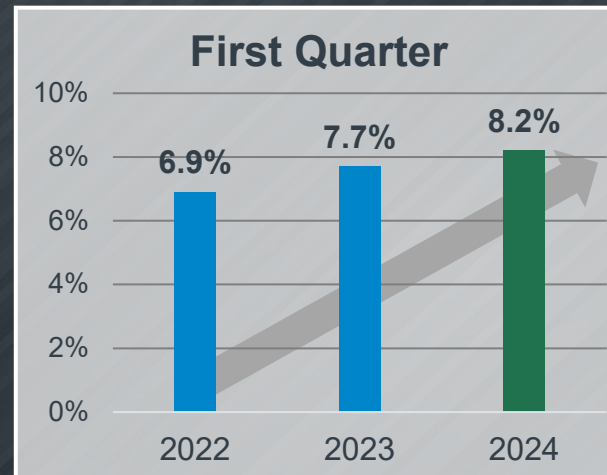
- Maintained FCF guidance
- Lower capex requirements

Company-Wide Efficiency and Cost-Savings Actions Driving Higher Margins

Continuous Margin Improvement

THREE CONSECUTIVE YEARS, CONSISTENT QUARTERLY MARGIN IMPROVEMENT

Year-Over-Year Adjusted EBITDA %



Driven by...

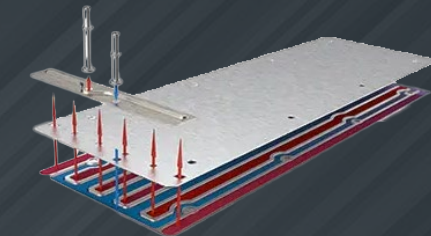
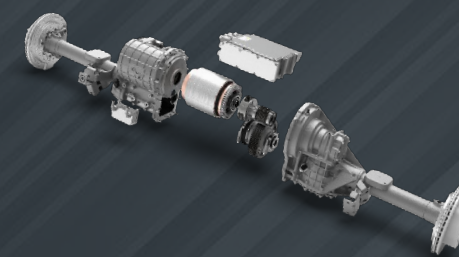
- Differentiating customer satisfaction
- Company-wide efficiencies
- Overall business execution

*While
concurrently
establishing...*

In-house e-Capabilities:

e-Propulsion













e-Thermal



Business Environment



2024 End-Market Outlook

Market	Compared to '23	Update
 Agriculture		Softening
 Construction		Softening
 Mining		No Change
 Light Truck		Softening
 Medium-Duty Truck		2nd Half Softening
 Heavy-Duty Truck		2nd Half Softening

Dana Operating Priorities

- 1 Disciplined approach and balanced growth
- 2 Continue leveraging synergies and scale across all businesses
- 3 Optimize manufacturing capabilities and locations to meet ICE, PHEV, and EV demand
- 4 Prudent use of capital to support new business growth

2025 Early Expectations

Lower Cost Structure



Soft End-Market Demand



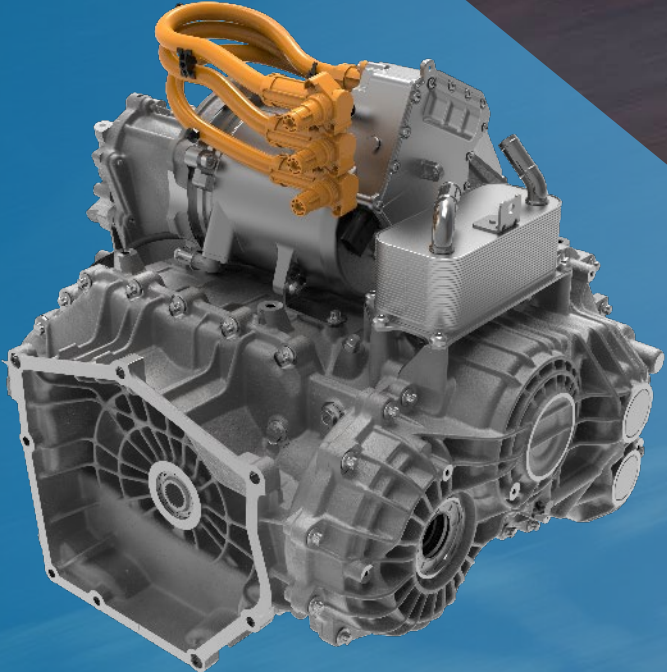
Tempered EV Demand



Lamborghini Revuelto



Modular High-Performance Hybrid 8-Speed
Dual-Clutch Transmission and Thermal Management



GRAZIANO™

Automotive News

PACE AWARD

2025 FINALIST



Financial Review

DAN
—
LISTED
—
NYSE

2024 Q3 and YTD Financial Results



Changes from Prior Year

(\$ in millions, except EPS)

	<u>Q3 '24</u>	<u>Q3 '23</u>	<u>Change</u>	<u>YTD '24</u>	<u>YTD '23</u>	<u>Change</u>
Sales	\$ 2,476	\$ 2,669	\$ (193)	\$ 7,949	\$ 8,061	\$ (112)
Adjusted EBITDA	232	242	(10)	699	689	10
Margin	9.4%	9.1%	30 bps	8.8%	8.5%	30 bps
Loss on Business Held for Sale	4		4	(26)		(26)
EBIT	88	91	(3)	262	305	(43)
Interest Expense, Net	36	36		108	100	8
Income Tax Expense	43	33	10	134	118	16
Net Income (attributable to Dana)	4	19	(15)	23	77	(54)
GAAP Diluted EPS	\$ 0.03	\$ 0.13	\$ (0.10)	\$ 0.16	\$ 0.53	\$ (0.37)
Diluted Adjusted EPS	\$ 0.12	\$ 0.30	\$ (0.18)	\$ 0.69	\$ 0.92	\$ (0.23)
Operating Cash Flow	35	112	(77)	148	198	(50)

See appendix for comments regarding the presentation of non-GAAP measures

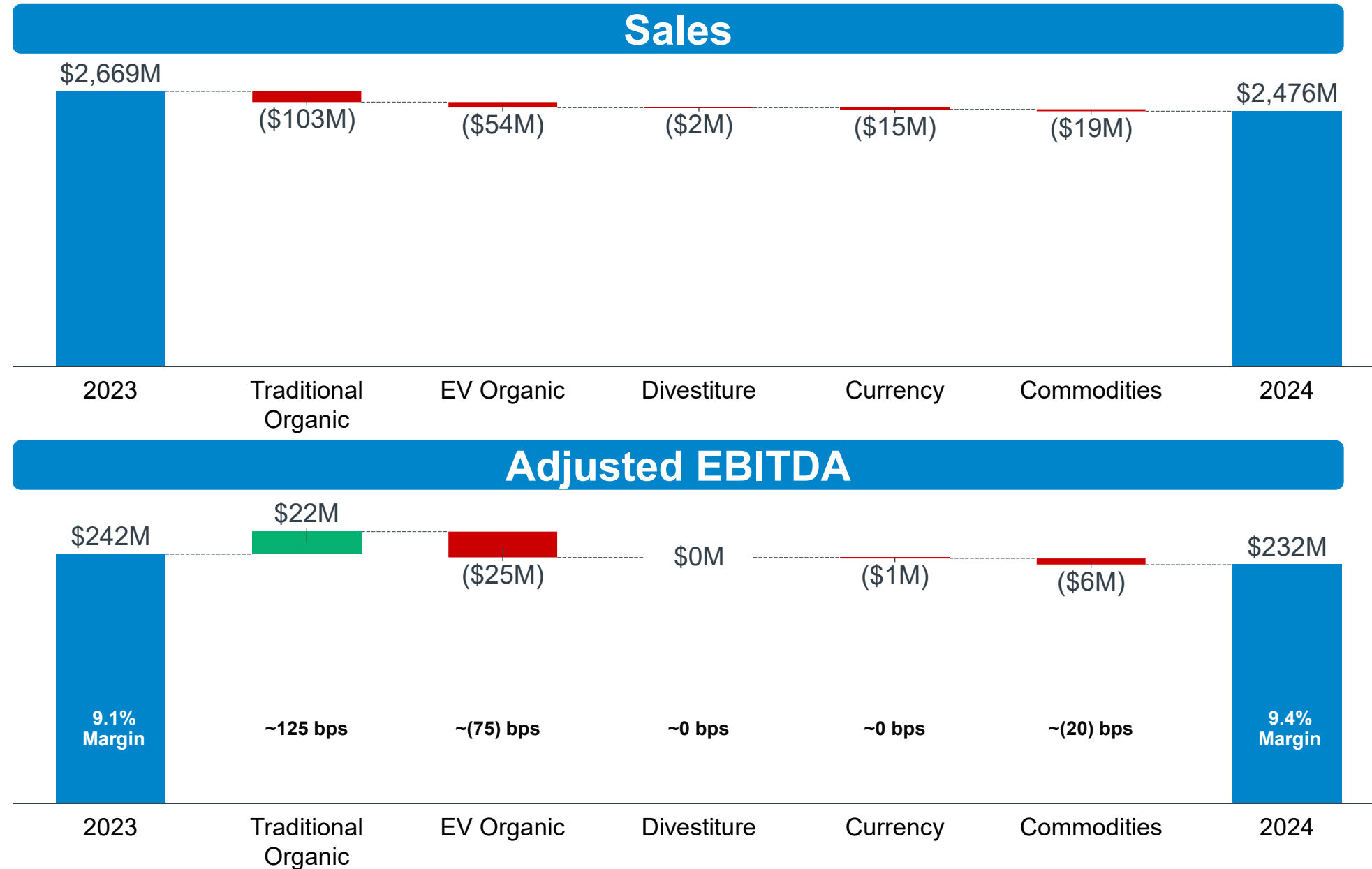
Margin Improvement in Challenging Demand Environment

- Lower sales driven by weakening market demand for electric vehicles, commercial trucks, off-highway equipment, and certain light-truck programs, as well as currency impacts and lower commodity recoveries
- Increased production efficiency and company-wide cost improvement actions drove higher profitability
- Adjustment loss on business previously held for sale
- Net income impacted primarily by higher tax expense

2024 Q3 Sales and Profit Changes



- Lower organic sales driven by reduced demand, partially offset by new business and market share gains
- Company-wide cost improvement actions drove profit growth despite organic sales headwinds
- Business execution and production efficiency offsetting inflation
- Decreased demand for EVs driving lower sales
- Positive contribution of current EV programs offset by development spending.
- Lower commodity costs resulted in lower sales recoveries; profit benefit of lower input cost is more than offset by the cost true-ups with customers



See appendix for comments regarding the presentation of non-GAAP measures

Strong Performance Driven by End-to-End Business Execution

2024 Q3 Free Cash Flow



- Higher cash taxes due to timing of payments and jurisdictional mix
- Working capital requirements increased primarily due to higher inventory
- Reduced capital spending required to support new business backlog and replacement business due to a more normal launch cadence and timing of investment for future EV programs

Changes from Prior Year

(\$ in millions)

	<u>Q3 '24</u>	<u>Q3 '23</u>	<u>Change</u>
Adjusted EBITDA	\$ 232	\$ 242	\$ (10)
One-Time Costs¹	(9)	(6)	(3)
Interest, Net	(43)	(26)	(17)
Taxes	(72)	(38)	(34)
Working Capital / Other²	(73)	(60)	(13)
Capital Spending	(46)	(117)	71
Free Cash Flow	\$ (11)	\$ (5)	\$ (6)

¹ Includes costs associated with business acquisitions and divestitures and restructuring. ² Changes in working capital relating to interest, taxes, restructuring, and transaction costs are included in those respective categories. See appendix for comments regarding the presentation of non-GAAP measures.

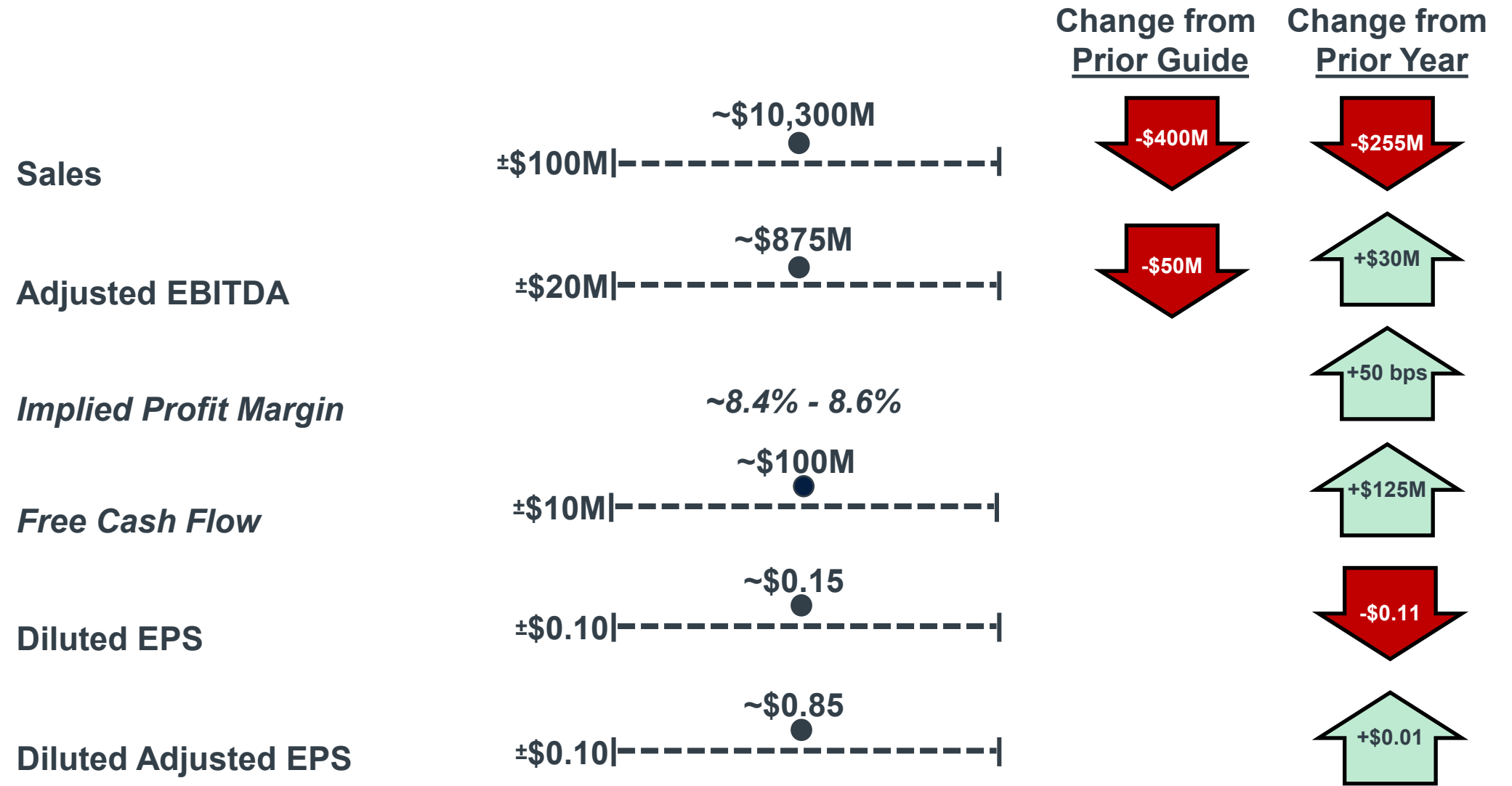
Lower Capital Spending and Continued Focus on Working Capital

2024 FY Financial Guide



- Lower sales driven by lower end-market demand in 2nd half
- Weakening demand for electric vehicles driving lower sales compared to prior outlook
- Company-wide efficiency improvements and cost-savings actions driving higher profit and margins compared to last year
- YOY free cash flow improvement driven by higher profit and lower capital spending

Guidance Ranges



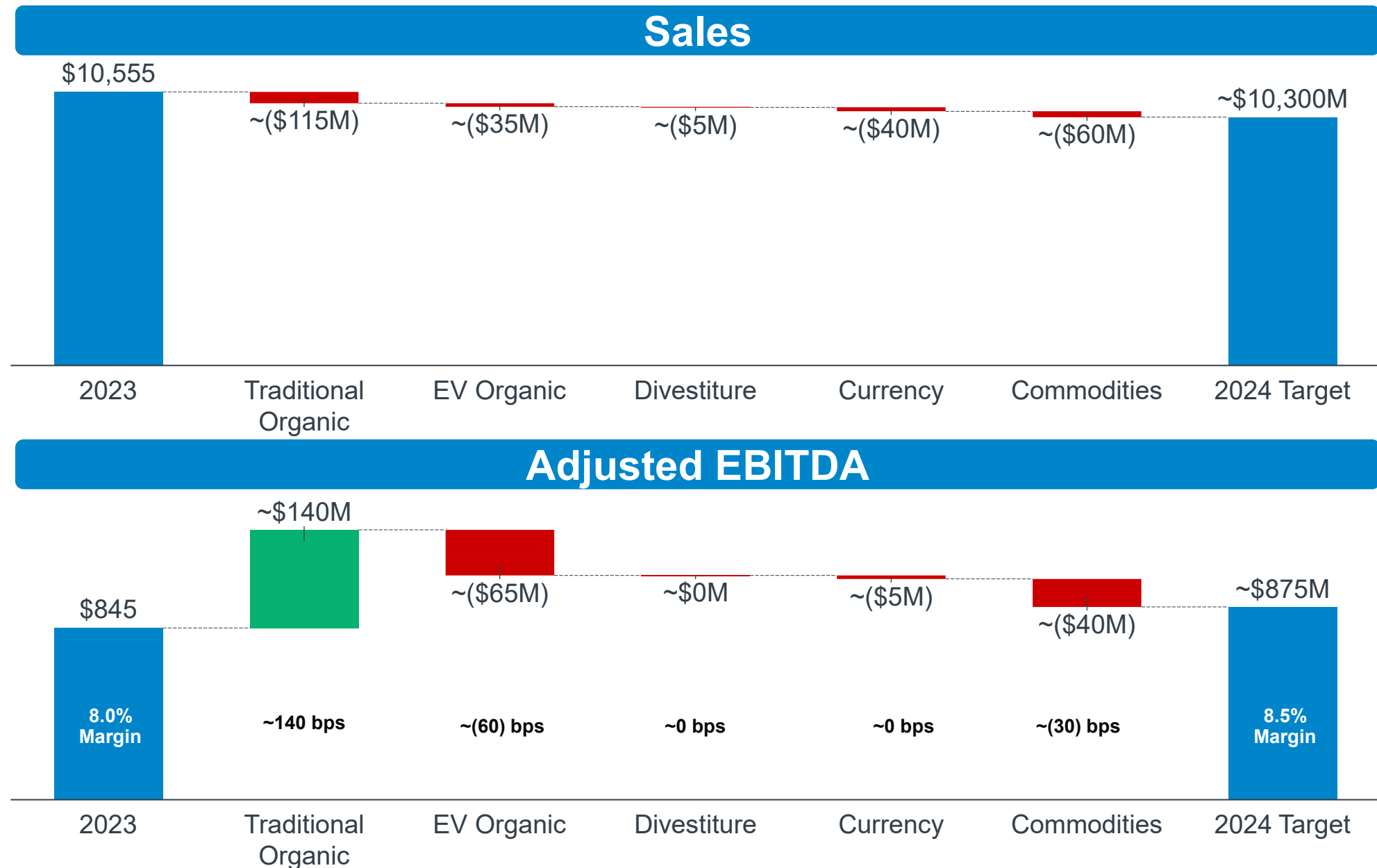
See appendix for comments regarding the presentation of non-GAAP measures

End-to-End Execution and Improved Operating Environment Driving Margin Growth

2024 FY Sales and Profit Changes



- Organic growth impacted by lower end-market demand in 2nd half
- Margin benefiting from improved efficiencies and cost savings actions
- Positive profit contribution on EV sales offset by investment in new program development costs
- Translation of foreign currency expected to be slight headwind to sales
- Lower commodity costs resulting in lower sales recoveries; profit benefit of lower input cost is more than offset by the cost true-ups with customers



See appendix for comments regarding the presentation of non-GAAP measures

Profit Driven by Company-Wide Efficiencies and Cost Savings Actions

2024 FY Free Cash Flow



- Maintaining full-year guidance due to lower capital spending
- Higher profit and lower capital investment requirements driving improvement over last year
- Increase in net interest payments due to higher rates and payment timing from refinancing

Changes from Prior Year

(\$ in millions)

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Adjusted EBITDA	\$ ~875	\$ 845	\$ ~30
One-Time Costs¹	(40)	(20)	(20)
Interest, Net	(150)	(116)	(35)
Taxes	(170)	(148)	(20)
Working Capital / Other²	(40)	(85)	45
Capital Spending	(375)	(501)	125
Free Cash Flow	\$ ~100	\$ (25)	\$ ~125

¹ Includes costs associated with business acquisitions and divestitures and restructuring. ² Changes in working capital relating to interest, taxes, restructuring, and transaction costs are included in those respective categories. See appendix for comments regarding the presentation of non-GAAP measures.

Positive Free Cash Flow Driven by Higher Profit, Lower Capex

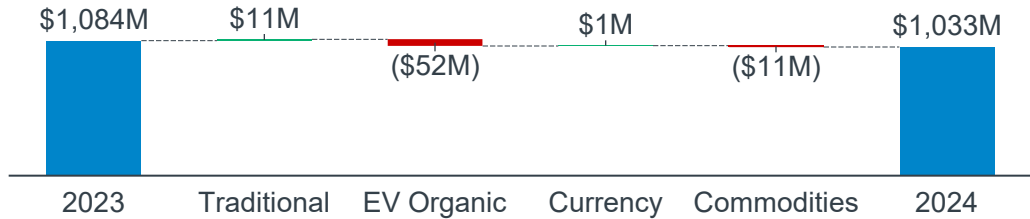
Appendix

2024 Q3 Sales and Profit Change by Segment

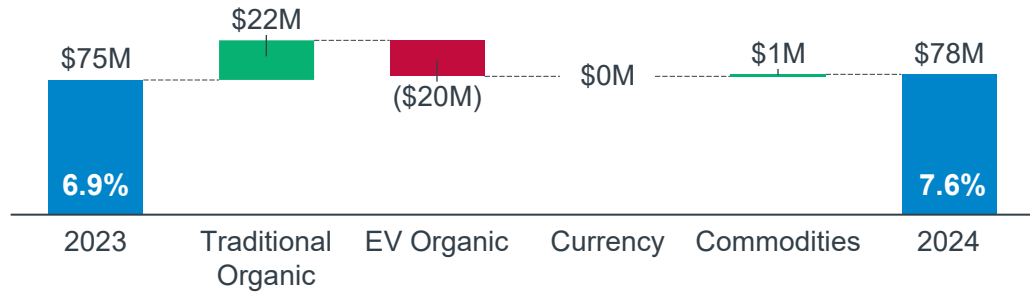


Light Vehicle Drive Systems

Sales

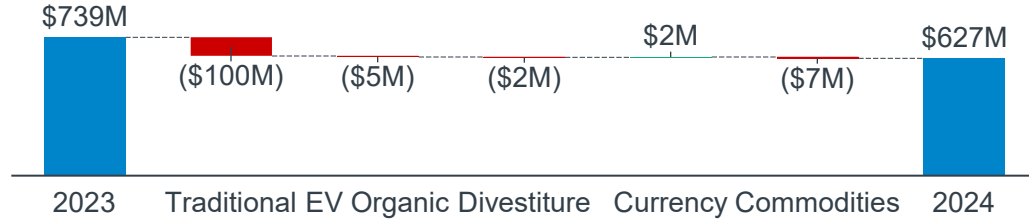


Adjusted EBITDA



Off-Highway Drive and Motion Systems

Sales

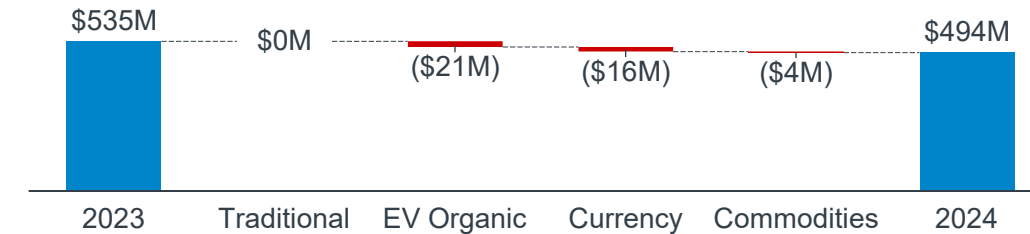


Adjusted EBITDA

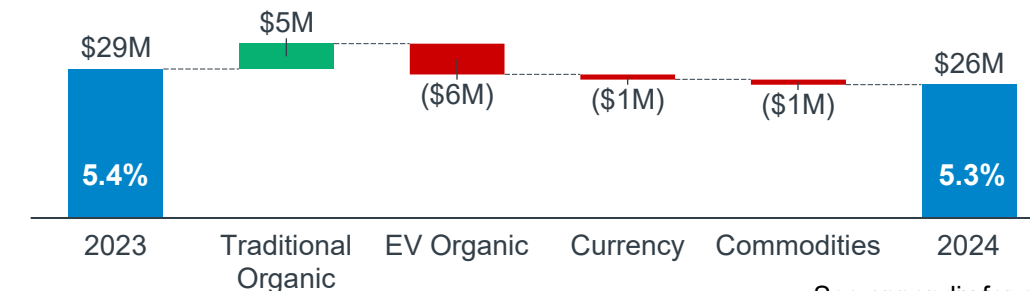


Commercial Vehicle Drive and Motion Systems

Sales

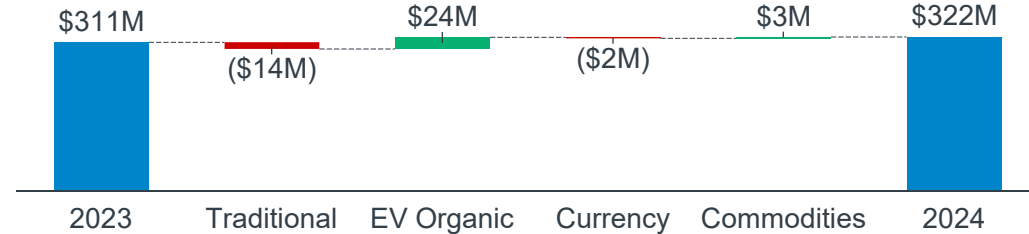


Adjusted EBITDA

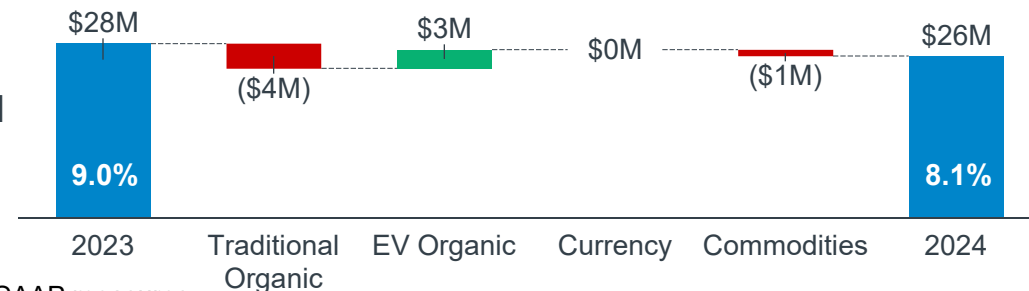


Power Technologies

Sales



Adjusted EBITDA



See appendix for comments regarding the presentation of non-GAAP measures

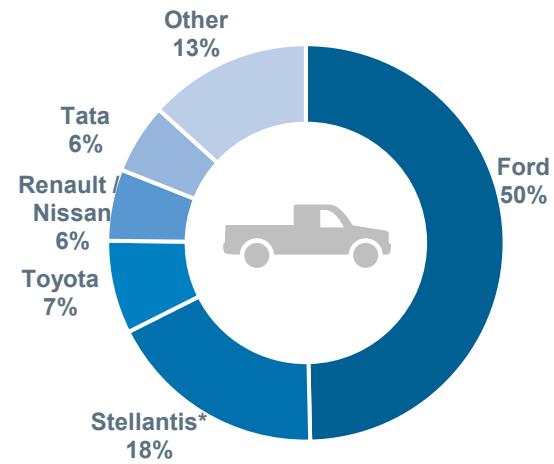
Segment Profiles



CUSTOMER SALES

Light Vehicle Drive Systems

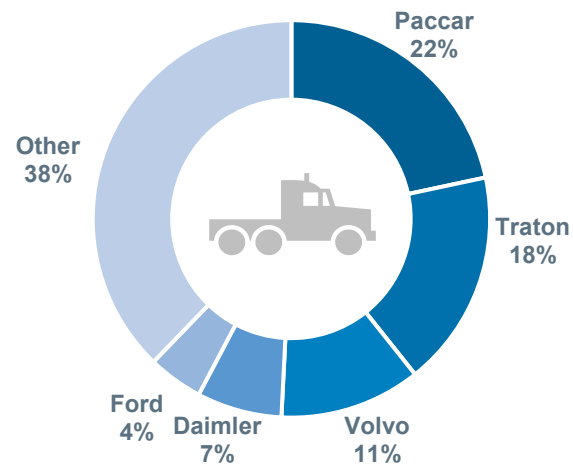
Year to Date 9/30/2024



* Includes sales to systems *integrations* for driveline products that support Stellantis vehicles

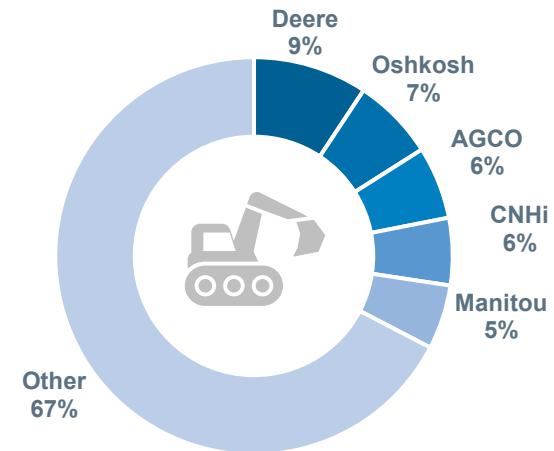
Commercial Vehicle Drive and Motion Systems

Year to Date 9/30/2024



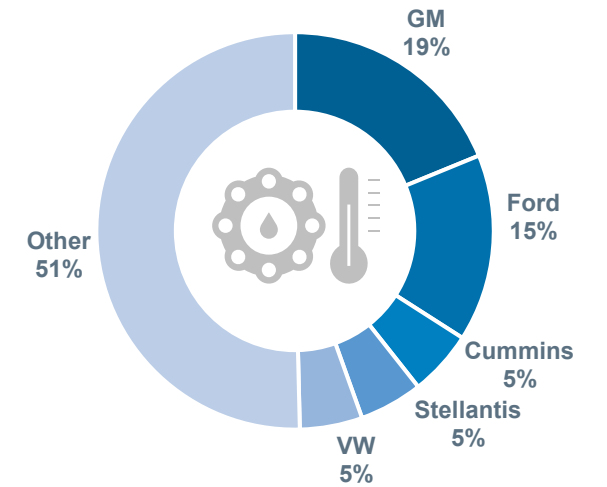
Off-Highway Drive and Motion Systems

Year to Date 9/30/2024

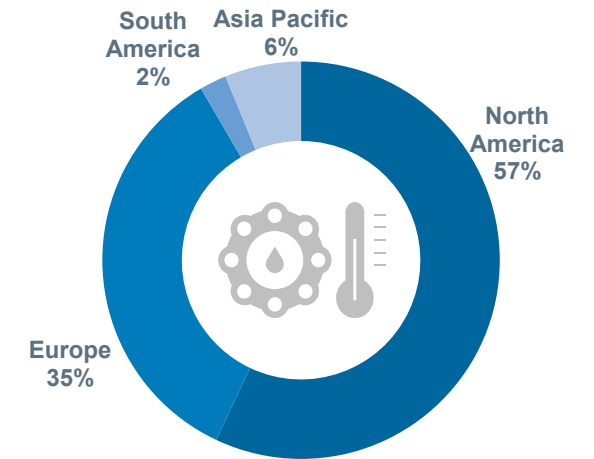
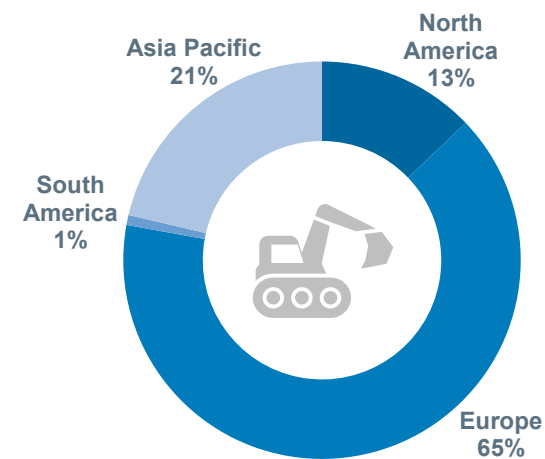
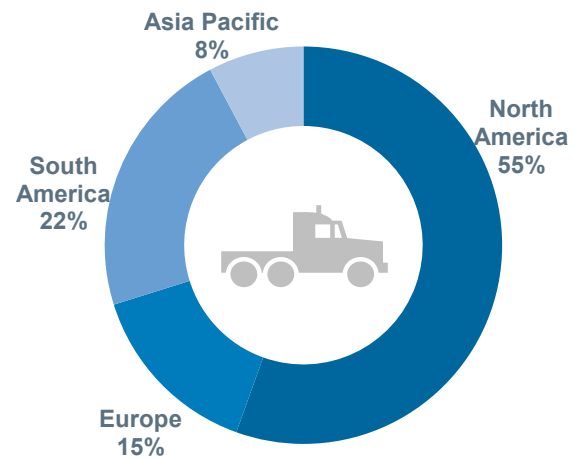
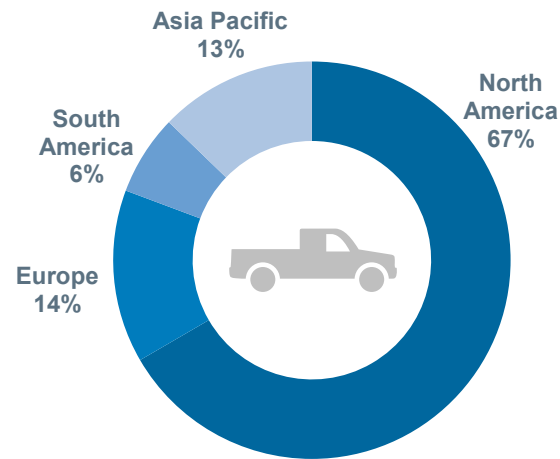


Power Technologies

Year to Date 9/30/2024



REGIONAL SALES



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Diluted Adjusted EPS



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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, 2024 and 2023

(In millions, except per share amounts)

	Three Months Ended September 30,	
	2024	2023
Net income attributable to the parent company	\$ 4	\$ 19
Items impacting income before income taxes:		
Amortization	5	5
Restructuring charges, net	24	17
Strategic transaction expenses	1	2
Distressed supplier costs		14
Adjustment of loss on disposal group previously held for sale	(4)	
Other items	3	2
Items impacting income taxes:		
Net income tax expense on items above	(15)	(16)
Adjusted net income attributable to the parent company	<u>\$ 18</u>	<u>\$ 43</u>
Diluted shares - as reported	145.1	144.7
Adjusted diluted shares	145.1	144.7
Diluted adjusted EPS	\$ 0.12	\$ 0.30

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 Nine Months Ended September 30, 2024 and 2023

(In millions, except per share amounts)

	Nine Months Ended September 30,	
	2024	2023
Net income attributable to the parent company	\$ 23	\$ 77
Items impacting income before income taxes:		
Amortization	15	15
Restructuring charges, net	41	21
Strategic transaction expenses	5	4
Distressed supplier costs		26
Loss on disposal group previously held for sale	26	
Other items		2
Items impacting income taxes:		
Net income tax expense on items above	(34)	(26)
Income tax expense attributable to various discrete tax matters	24	14
Adjusted net income attributable to the parent company	<u>\$ 100</u>	<u>\$ 133</u>
Diluted shares - as reported	145.0	144.5
Adjusted diluted shares	145.0	144.5
Diluted adjusted EPS	\$ 0.69	\$ 0.92

Segment Data



DANA INCORPORATED

Segment Sales and Segment EBITDA (Unaudited)

For the Three Months Ended September 30, 2024 and 2023

(In millions)	Three Months Ended	
	September 30,	
	2024	2023
Sales		
Light Vehicle	\$ 1,033	\$ 1,084
Commercial Vehicle	494	535
Off-Highway	627	739
Power Technologies	322	311
Total Sales	<u>\$ 2,476</u>	<u>\$ 2,669</u>
Segment EBITDA		
Light Vehicle	\$ 78	\$ 75
Commercial Vehicle	26	29
Off-Highway	103	110
Power Technologies	26	28
Total Segment EBITDA	<u>233</u>	<u>242</u>
Corporate expense and other items, net	(1)	
Adjusted EBITDA	<u>\$ 232</u>	<u>\$ 242</u>

DANA INCORPORATED

Segment Sales and Segment EBITDA (Unaudited)

For the Nine Months Ended September 30, 2024 and 2023

(In millions)	Nine Months Ended	
	September 30,	
	2024	2023
Sales		
Light Vehicle	\$ 3,263	\$ 3,112
Commercial Vehicle	1,545	1,583
Off-Highway	2,154	2,423
Power Technologies	987	943
Total Sales	<u>\$ 7,949</u>	<u>\$ 8,061</u>
Segment EBITDA		
Light Vehicle	\$ 229	\$ 190
Commercial Vehicle	66	74
Off-Highway	334	359
Power Technologies	75	70
Total Segment EBITDA	<u>704</u>	<u>693</u>
Corporate expense and other items, net	(5)	(4)
Adjusted EBITDA	<u>\$ 699</u>	<u>\$ 689</u>

Segment Data Continued



DANA INCORPORATED

Reconciliation of Segment and Adjusted EBITDA to Net Income (Unaudited) For the Three Months Ended September 30, 2024 and 2023

(In millions)	Three Months Ended	
	September 30,	
	2024	2023
Segment EBITDA	\$ 233	\$ 242
Corporate expense and other items, net	(1)	
Adjusted EBITDA	232	242
Depreciation	(97)	(101)
Amortization	(5)	(6)
Non-service cost components of pension and OPEB costs	(8)	(4)
Restructuring charges, net	(24)	(17)
Stock compensation expense	(7)	(5)
Strategic transaction expenses	(1)	(2)
Loss on sale of property, plant and equipment		(1)
Distressed supplier costs		(14)
Adjustment of loss on disposal group previously held for sale	4	
Other items	(6)	(1)
Earnings before interest and income taxes	88	91
Interest income	4	5
Interest expense	40	41
Earnings before income taxes	52	55
Income tax expense	43	33
Equity in earnings of affiliates	2	3
Net income	<u>\$ 11</u>	<u>\$ 25</u>

DANA INCORPORATED

Reconciliation of Segment and Adjusted EBITDA to Net Income (Unaudited) For the Nine Months Ended September 30, 2024 and 2023

(In millions)	Nine Months Ended	
	September 30,	
	2024	2023
Segment EBITDA	\$ 704	\$ 693
Corporate expense and other items, net	(5)	(4)
Adjusted EBITDA	699	689
Depreciation	(304)	(287)
Amortization	(16)	(17)
Non-service cost components of pension and OPEB costs	(14)	(10)
Restructuring charges, net	(41)	(21)
Stock compensation expense	(21)	(19)
Strategic transaction expenses	(5)	(4)
Loss on sale of property, plant and equipment	(5)	(1)
Distressed supplier costs		(26)
Loss on disposal group previously held for sale	(26)	
Other items	(5)	1
Earnings before interest and income taxes	262	305
Loss on extinguishment of debt		(1)
Interest income	10	14
Interest expense	118	114
Earnings before income taxes	154	204
Income tax expense	134	118
Equity in earnings of affiliates	7	6
Net income	<u>\$ 27</u>	<u>\$ 92</u>

DANA INCORPORATED Reconciliation of Net Cash Provided By Operating Activities to Free Cash Flow (Unaudited)

(In millions)

	Three Months Ended September 30,	
	2024	2023
Net cash provided by operating activities	\$ 35	\$ 112
Purchases of property, plant and equipment	(46)	(117)
Free cash flow	<u>\$ (11)</u>	<u>\$ (5)</u>

(In millions)

	Nine Months Ended September 30,	
	2024	2023
Net cash provided by operating activities	\$ 148	\$ 198
Purchases of property, plant and equipment	(227)	(359)
Free cash flow	<u>\$ (79)</u>	<u>\$ (161)</u>

Non-GAAP Financial Information



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 (loss) 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. We believe free cash flow 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 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 may not be comparable to similarly titled measures reported by other companies.

The accompanying financial information provides reconciliations of adjusted EBITDA, diluted adjusted EPS and free cash flow to the most directly comparable financial measures calculated and presented in accordance with GAAP. We have not provided a reconciliation of our adjusted EBITDA and diluted adjusted EPS outlook to the most comparable GAAP measures of net income (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.



People Finding A Better Way[®]

