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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 30, 2018**

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**Dana Incorporated**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-1063**  
(Commission  
File Number)

**26-1531856**  
(IRS Employer  
Identification Number)

**3939 Technology Drive,  
Maumee, Ohio 43537**  
(Address of principal executive offices) (Zip Code)

**(419) 887-3000**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Items 2.02 and 7.01 Results of Operations and Financial Condition and Regulation FD Disclosure**

Dana Incorporated today issued a news release announcing its results for the quarter ended March 31, 2018. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this report is being “furnished” and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, is not subject to the liabilities of that section and is not deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following item is furnished with this report.

| <u>Exhibit No.</u> | <u>Description</u>   |
|--------------------|--|
| 99.1               | <a href="#">Dana Incorporated Press Release dated April 30, 2018</a> |

**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 INCORPORATED**

Date: April 30, 2018

By: /s/ Douglas H. Liedberg

Name: Douglas H. Liedberg

Title: Senior Vice President, General Counsel and Secretary

# News Release



IMMEDIATE

## Dana Incorporated Announces First-quarter 2018 Financial Results with Significant Revenue Growth, Affirms Full-year Guidance Increase

### Highlights

- *Sales of \$2.1 billion, an increase of \$437 million, growth of 26 percent*
- *Net income attributable to Dana of \$108 million; diluted EPS of \$0.73*
- *Adjusted EBITDA of \$248 million, an increase of \$43 million providing a margin of 11.6 percent*
- *Diluted adjusted EPS of \$0.75, an improvement of 19 percent over first quarter of last year*

MAUMEE, Ohio, Apr. 30, 2018 – Dana Incorporated (NYSE: DAN) today announced strong financial results for the first quarter of 2018 and affirmed full-year 2018 guidance.

“In the first quarter, Dana’s sales growth outperformed the market with 26 percent higher revenue, including 17 percent organic growth,” said James Kamsickas, Dana president and chief executive officer. “First-quarter sales were more than \$2 billion resulting in the strongest sales quarter we have realized in nearly a decade. Our intense focus on customer satisfaction and bringing our backlog to market is helping to drive outstanding results and further position Dana for future growth.”

### First-quarter 2018 Financial Results

Sales for the first quarter of 2018 totaled \$2.14 billion, compared with \$1.70 billion in the same period of 2017, representing a 26 percent increase. The increase was mainly due to higher demand across all three end markets, conversion of sales backlog, and favorable foreign currency translation.

Dana reported net income of \$108 million for the first quarter of 2018, compared with net income of \$75 million in the same period of 2017, due to increased operating earnings associated with higher sales.

Diluted earnings per share were \$0.73, compared with earnings per share of \$0.51 in 2017.

Adjusted EBITDA for the first quarter of 2018 was \$248 million, a \$43 million increase over the same period last year, driven by higher end-market demand and conversion of the sales backlog, as well as earnings from acquisitions completed in the first quarter of 2017. The strong first-quarter earnings performance was achieved while completing the production launch for one of the company’s largest programs, the new Jeep® Wrangler.

Diluted adjusted earnings per share were \$0.75 in the first quarter of 2018, compared with \$0.63 in the same period last year, reflecting the higher year-over-year earnings improvement.

Operating cash flow in the first quarter of 2018 was a use of \$28 million, compared with a source of \$11 million in the same period of 2017. Higher working-capital requirements to meet increased demand and incentive compensation payouts in the quarter offset the benefit of higher earnings and lower one-time costs. With new program investment requirements beginning to dissipate, capital expenditures in this year's first three months declined by \$31 million from last year's first quarter. As a result, free cash flow was a use of \$93 million this quarter, compared with a use of \$85 million in 2017.

#### Company Affirms 2018 Guidance

Improved end-market demand for key light-truck programs, off-highway equipment, and commercial vehicles, combined with sales from the new-business backlog, are driving an expected 10 percent growth in sales for 2018. Increased sales from the new-business backlog are expected to add approximately \$300 million, and improved end-market demand is expected to accrete \$200 million. Foreign currency translation will add an additional \$150 million to the year-over-year sales comparison.

Adjusted EBITDA in 2018 is expected to improve by approximately \$145 million from 2017, or 80 basis points. This improvement is driven primarily by higher sales levels, ongoing efficiency benefits, and enhanced acquisition synergies.

"Last month we raised our full-year guidance on the strength of our end markets and currency tailwinds. Our success this quarter is a result of those factors, as well as the conversion of our new business backlog. With the launch of the Jeep Wrangler program behind us and continued execution of our synergy plan related to recent acquisitions, we are confident in our outlook for 2018 and continued growth in 2019," said Jonathan Collins, executive vice president and chief financial officer of Dana.

#### 2018 Full-year Financial Targets

- Sales of \$7.75 to \$8.05 billion;
- Adjusted EBITDA of \$950 to \$1,010 million, an implied adjusted EBITDA margin of approximately 12.4 percent;
- Diluted adjusted EPS<sup>1</sup> of \$2.75 to \$3.05;
- Operating cash flow of approximately 7.5 percent of sales;
- Capital spending of approximately 4.0 percent of sales; and
- Free cash flow of approximately 3.5 percent of sales.

<sup>1</sup> Net income and diluted EPS guidance are not provided, as discussed below in Non-GAAP Financial Information.

#### Customers Reward Dana through Supplier Excellence Honors, New Business Sourcing

Dana was recognized in the first quarter of 2018 with 10 customer quality and operational excellence awards. This recognition is strong confirmation that Dana's customers appreciate the exceptional performance provided and their partnership with Dana is providing significant value in their efforts to produce outstanding vehicles.

Over the past several months, Dana has received significant supplier recognition, including the prestigious General Motors Supplier of the Year Award, John Deere China Supplier of the Year Award, LiuGong Supplier Quality Excellence Award, and Spartan Motors Diamond Award. In addition, the company received multiple awards from Toyota and was also named partner-level supplier by AGCO. This strong focus on customer satisfaction has resulted in the company being sourced on numerous new programs with customers, including Jaguar Land Rover, General Motors, Mecalac, and many others.

### **Dana to Host Conference Call at 9 a.m. Today**

Dana will discuss its first-quarter results in a conference call at 9 a.m. EDT today. Participants may listen to the audio portion of the conference call either through audio streaming online or by telephone. Slide viewing is available online via a link provided on the Dana investor website: [www.dana.com/investors](http://www.dana.com/investors). U.S. and Canadian locations should dial 1-888-311-4590 and international locations should call 1-706-758-0054. Please enter conference I.D. 3587797 and ask for the “Dana Incorporated’s Financial Webcast and Conference Call.” Phone registration will be available starting at 8:30 a.m. EDT.

An audio recording of the webcast will be available after 5 p.m. EDT on Apr. 30 by dialing 1-855-859-2056 (U.S. or Canada) or 1-404-537-3406 (international) and entering conference I.D. 3587797. A webcast replay will also be available after 5 p.m. EDT and may be accessed via Dana’s investor website.

### **Non-GAAP Financial Information**

This release refers to adjusted EBITDA, a non-GAAP financial measure which we have defined as net income before interest, taxes, depreciation, amortization, equity grant expense, restructuring expense, 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 income before income taxes, net income or other results reported in accordance with GAAP. Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

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

Free cash flow is a non-GAAP financial measure, which we have defined as cash provided by (used in) operating activities, less purchases of property, plant, and equipment. We believe this measure is useful to investors in evaluating the operational cash flow of the company inclusive of the spending required to maintain the operations.

Free cash flow is neither intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported under GAAP. Free cash flow may not be comparable to similarly titled measures reported by other companies.

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 and diluted EPS. Providing net income and diluted EPS guidance is potentially misleading and not practical given the difficulty of projecting event-driven transactional and other non-core operating items that are included in net income and diluted EPS, including restructuring actions, asset impairments and income tax valuation adjustments. The 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.

Please reference the “Non-GAAP financial information” accompanying our quarterly earnings conference call presentations on our website at [www.dana.com/investors](http://www.dana.com/investors) for our GAAP results and the reconciliations of these measures, where used, to the comparable GAAP measures.

### Forward-Looking Statements

Certain statements and projections contained in this news release 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 news release speak only as of this date. Dana does not undertake any obligation to revise or update publicly any forward-looking statement for any reason.

### About Dana Incorporated

Dana is a world leader in highly engineered solutions for improving the efficiency, performance, and sustainability of powered vehicles and machinery. Dana supports the passenger vehicle, commercial truck, and off-highway markets, as well as industrial and stationary equipment applications. Founded in 1904, Dana employs more than 30,000 people in 33 countries on six continents who are committed to delivering long-term value to customers. Based in Maumee, Ohio, USA, the company reported sales of \$7.2 billion in 2017. Dana is ranked among the Drucker Institute’s listing of the 250 most effectively managed companies. For more information, please visit [dana.com](http://dana.com).

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**DANA INCORPORATED**  
**Consolidated Statement of Operations (Unaudited)**  
**For the Three Months Ended March 31, 2018 and 2017**

(In millions, except per share amounts)

|  | Three Months Ended<br>March 31, |                 |
|--|---------------------------------|-----------------|
|  | 2018                            | 2017            |
| <b>Net sales</b>   | <b>\$2,138</b>                  | <b>\$ 1,701</b> |
| Costs and expenses   |                                 |                 |
| Cost of sales  | 1,831                           | 1,437           |
| Selling, general and administrative expenses                 | 130                             | 120             |
| Amortization of intangibles                                  | 2                               | 2               |
| Restructuring charges, net                                   | 1                               | 2               |
| Other expense, net   |                                 | (11)            |
| Earnings before interest and income taxes                    | 174                             | 129             |
| Interest income  | 3                               | 3               |
| Interest expense   | 24                              | 27              |
| Earnings before income taxes                                 | 153                             | 105             |
| Income tax expense   | 48                              | 30              |
| Equity in earnings of affiliates                             | 6                               | 5               |
| <b>Net income</b>  | <b>111</b>                      | <b>80</b>       |
| Less: Noncontrolling interests net income                    | 2                               | 5               |
| Less: Redeemable noncontrolling interests net income         | 1                               |                 |
| <b>Net income attributable to the parent company</b>         | <b>\$ 108</b>                   | <b>\$ 75</b>    |
| <b>Net income per share available to common stockholders</b> |                                 |                 |
| Basic  | \$ 0.74                         | \$ 0.52         |
| Diluted  | \$ 0.73                         | \$ 0.51         |
| Weighted-average shares outstanding - Basic                  | 145.6                           | 144.6           |
| Weighted-average shares outstanding - Diluted                | 147.5                           | 145.9           |
| Cash dividends declared per share                            | \$ 0.10                         | \$ 0.06         |

**DANA INCORPORATED**  
**Consolidated Statement of Comprehensive Income (Unaudited)**  
**For the Three Months Ended March 31, 2018 and 2017**

(In millions)

|   | Three Months Ended<br>March 31, |               |
|---|---------------------------------|---------------|
|   | 2018                            | 2017          |
| <b>Net income</b>   | <b>\$ 111</b>                   | <b>\$ 80</b>  |
| Other comprehensive income (loss), net of tax:  |                                 |               |
| Currency translation adjustments  | 10                              | 30            |
| Hedging gains and losses  | (8)                             | (4)           |
| Defined benefit plans   | 7                               | 5             |
| Other comprehensive income  | 9                               | 31            |
| <b>Total comprehensive income</b>   | <b>120</b>                      | <b>111</b>    |
| Less: Comprehensive income attributable to noncontrolling interests                   | (2)                             | (7)           |
| Less: Comprehensive (income) loss attributable to redeemable noncontrolling interests | (2)                             | 1             |
| <b>Comprehensive income attributable to the parent company</b>                        | <b>\$ 116</b>                   | <b>\$ 105</b> |

**DANA INCORPORATED**  
**Consolidated Balance Sheet (Unaudited)**  
**As of March 31, 2018 and December 31, 2017**

| (In millions, except share and per share amounts)   | March 31,<br>2018 | December 31,<br>2017 |
|---|-------------------|----------------------|
| <b>Assets</b>   |                   |                      |
| Current assets  |                   |                      |
| Cash and cash equivalents   | \$ 479            | \$ 603               |
| Marketable securities   | 41                | 40                   |
| Accounts receivable   |                   |                      |
| Trade, less allowance for doubtful accounts of \$7 in 2018 and \$8 in 2017                                    | 1,266             | 994                  |
| Other   | 235               | 172                  |
| Inventories   | 1,032             | 969                  |
| Other current assets  | 102               | 97                   |
| Current assets of disposal group held for sale  | 9                 | 7                    |
| <b>Total current assets</b>   | <u>3,164</u>      | <u>2,882</u>         |
| Goodwill  | 130               | 127                  |
| Intangibles   | 172               | 174                  |
| Deferred tax assets   | 407               | 420                  |
| Other noncurrent assets   | 74                | 71                   |
| Investments in affiliates   | 171               | 163                  |
| Property, plant and equipment, net  | 1,827             | 1,807                |
| <b>Total assets</b>   | <u>\$ 5,945</u>   | <u>\$ 5,644</u>      |
| <b>Liabilities and equity</b>   |                   |                      |
| Current liabilities   |                   |                      |
| Short-term debt and current portion of long-term debt   | \$ 39             | \$ 40                |
| Accounts payable  | 1,301             | 1,165                |
| Accrued payroll and employee benefits   | 178               | 219                  |
| Taxes on income   | 58                | 53                   |
| Other accrued liabilities   | 278               | 220                  |
| Current liabilities of disposal group held for sale   | 7                 | 5                    |
| <b>Total current liabilities</b>  | <u>1,861</u>      | <u>1,702</u>         |
| Long-term debt, less debt issuance costs of \$21 in 2018 and \$22 in 2017                                     | 1,755             | 1,759                |
| Pension and postretirement obligations  | 604               | 607                  |
| Other noncurrent liabilities  | 459               | 413                  |
| Noncurrent liabilities of disposal group held for sale  | 2                 | 2                    |
| <b>Total liabilities</b>  | <u>4,681</u>      | <u>4,483</u>         |
| Commitments and contingencies   |                   |                      |
| Redeemable noncontrolling interests   | 49                | 47                   |
| 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, 145,465,858 and 144,984,050 shares outstanding | 2                 | 2                    |
| Additional paid-in capital  | 2,350             | 2,354                |
| Retained earnings   | 181               | 86                   |
| Treasury stock, at cost (7,191,700 and 7,001,017 shares)  | (93)              | (87)                 |
| Accumulated other comprehensive loss  | (1,336)           | (1,342)              |
| Total parent company stockholders' equity   | 1,104             | 1,013                |
| Noncontrolling interests  | 111               | 101                  |
| <b>Total equity</b>   | <u>1,215</u>      | <u>1,114</u>         |
| <b>Total liabilities and equity</b>   | <u>\$ 5,945</u>   | <u>\$ 5,644</u>      |

**DANA INCORPORATED**  
**Consolidated Statement of Cash Flows (Unaudited)**  
**For the Three Months Ended March 31, 2018 and 2017**

(In millions)

|   | Three Months Ended<br>March 31, |               |
|---|---------------------------------|---------------|
|   | 2018                            | 2017          |
| <b>Operating activities</b>   |                                 |               |
| Net income  | \$ 111                          | \$ 80         |
| Depreciation  | 64                              | 49            |
| Amortization of intangibles   | 3                               | 3             |
| Amortization of deferred financing charges                            | 1                               | 1             |
| Earnings of affiliates, net of dividends received                     | (5)                             | (5)           |
| Stock compensation expense  | 4                               | 4             |
| Deferred income taxes   | 12                              | 10            |
| Pension contributions, net  |                                 | (2)           |
| Change in working capital   | (216)                           | (133)         |
| Other, net  | (2)                             | 4             |
| <b>Net cash provided by (used in) operating activities (1)</b>        | <u>(28)</u>                     | <u>11</u>     |
| <b>Investing activities</b>   |                                 |               |
| Purchases of property, plant and equipment (1)                        | (65)                            | (96)          |
| Acquisition of businesses, net of cash acquired                       |                                 | (182)         |
| Purchases of marketable securities                                    | (17)                            | (11)          |
| Proceeds from sales of marketable securities                          | 4                               |               |
| Proceeds from maturities of marketable securities                     | 11                              | 13            |
| Other   |                                 | (2)           |
| <b>Net cash used in investing activities</b>                          | <u>(67)</u>                     | <u>(278)</u>  |
| <b>Financing activities</b>   |                                 |               |
| Net change in short-term debt   | (7)                             | (1)           |
| Repayment of long-term debt   | (1)                             | (17)          |
| Dividends paid to common stockholders                                 | (15)                            | (9)           |
| Distributions paid to noncontrolling interests                        | (1)                             | (1)           |
| Other   | (4)                             | 2             |
| <b>Net cash used in financing activities</b>                          | <u>(28)</u>                     | <u>(26)</u>   |
| <b>Net decrease in cash, cash equivalents and restricted cash</b>     | <u>(123)</u>                    | <u>(293)</u>  |
| Cash, cash equivalents and restricted cash - beginning of period (2)  | 610                             | 716           |
| Effect of exchange rate changes on cash balances                      | 14                              | 13            |
| Less: Cash contributed to disposal group held for sale                | (10)                            |               |
| <b>Cash, cash equivalents and restricted cash - end of period (2)</b> | <u>\$ 491</u>                   | <u>\$ 436</u> |

(1) Free cash flow of (\$93) in 2018 and (\$85) in 2017 is the sum of net cash provided by (used in) operating activities reduced by the purchases of property, plant and equipment.

(2) Includes restricted cash of \$12 at March 31, 2018, \$7 at December 31, 2017, \$13 at March 31, 2017 and \$9 at December 31, 2016.

**DANA INCORPORATED**  
**Segment Sales and Segment EBITDA (Unaudited)**  
**For the Three Months Ended March 31, 2018 and 2017**

(In millions)

|  | Three Months Ended<br>March 31, |                 |
|--|---------------------------------|-----------------|
|  | 2018                            | 2017            |
| <b>Sales</b>                           |                                 |                 |
| Light Vehicle                          | \$ 950                          | \$ 761          |
| Commercial Vehicle                     | 400                             | 329             |
| Off-Highway                            | 492                             | 328             |
| Power Technologies                     | 296                             | 283             |
| <b>Total Sales</b>                     | <u>\$2,138</u>                  | <u>\$ 1,701</u> |
| <b>Segment EBITDA</b>                  |                                 |                 |
| Light Vehicle                          | \$ 103                          | \$ 89           |
| Commercial Vehicle                     | 34                              | 28              |
| Off-Highway                            | 72                              | 45              |
| Power Technologies                     | 45                              | 50              |
| <b>Total Segment EBITDA</b>            | 254                             | 212             |
| Corporate expense and other items, net | (6)                             | (7)             |
| <b>Adjusted EBITDA</b>                 | <u>\$ 248</u>                   | <u>\$ 205</u>   |

**DANA INCORPORATED**  
**Reconciliation of Segment and Adjusted EBITDA to Net Income (Unaudited)**  
**For the Three Months Ended March 31, 2018 and 2017**

(In millions)

|   | Three Months Ended |               |
|---|--------------------|---------------|
|   | March 31,          |               |
|   | 2018               | 2017          |
| <b>Segment EBITDA</b>   | <b>\$ 254</b>      | <b>\$ 212</b> |
| Corporate expense and other items, net                                | (6)                | (7)           |
| <b>Adjusted EBITDA</b>  | <b>248</b>         | <b>205</b>    |
| Depreciation  | (64)               | (49)          |
| Amortization of intangibles   | (3)                | (3)           |
| Restructuring   | (1)                | (2)           |
| Stock compensation expense  | (4)                | (4)           |
| Strategic transaction expenses, net of transaction breakup fee income | 1                  | (11)          |
| Acquisition related inventory adjustments                             |                    | (6)           |
| Other items   | (3)                | (1)           |
| Earnings before interest and income taxes                             | 174                | 129           |
| Interest expense  | (24)               | (27)          |
| Interest income   | 3                  | 3             |
| Earnings before income taxes  | 153                | 105           |
| Income tax expense  | 48                 | 30            |
| Equity in earnings of affiliates                                      | 6                  | 5             |
| <b>Net income</b>   | <b>\$ 111</b>      | <b>\$ 80</b>  |

**DANA INCORPORATED**  
**Diluted Adjusted EPS (Unaudited)**  
**For the Three Months Ended March 31, 2018 and 2017**

(In millions, except per share amounts)

|  | Three Months Ended<br>March 31, |                |
|--|---------------------------------|----------------|
|  | 2018                            | 2017           |
| <b>Net income attributable to parent company</b> | <b>\$ 108</b>                   | <b>\$ 75</b>   |
| Items impacting income before income taxes:      |                                 |                |
| Restructuring charges                            | 1                               | 2              |
| Amortization of intangibles                      | 3                               | 3              |
| Strategic transaction expenses                   |                                 | 11             |
| Acquisition related inventory adjustments        |                                 | 6              |
| Other items                                      | (1)                             |                |
| Items impacting income taxes:                    |                                 |                |
| Net income tax expense on items above            | (1)                             | (5)            |
| <b>Adjusted net income</b>                       | <b>\$ 110</b>                   | <b>\$ 92</b>   |
| Diluted shares - as reported                     | 147.5                           | 145.9          |
| Adjusted diluted shares                          | 147.5                           | 145.9          |
| <b>Diluted adjusted EPS</b>                      | <b>\$ 0.75</b>                  | <b>\$ 0.63</b> |