UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended: June 30, 2011
Commission File Number: 1-1063

Dana Holding Corporation

(Exact name of registrant as specified in its charter)

Delaware	**26-1531856**
(State of incorporation)	*(IRS Employer Identification Number)*
3939 Technology Drive, Maumee, OH	**43537**
(Address of principal executive offices)	*(Zip Code)*

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐

(Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☑ No ☐

APPLICABLE ONLY TO CORPORATE ISSUERS:

There were 146,992,046 shares of the registrant's common stock outstanding at July 15, 2011.

DANA HOLDING CORPORATION – FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2011

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Dana Holding Corporation
Consolidated Statement of Operations (Unaudited)
(In millions except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Net sales	$ 1,933	$ 1,526	$ 3,733	$ 3,034
Costs and expenses				
Cost of sales	1,700	1,357	3,285	2,725
Selling, general and administrative expenses	107	91	206	193
Amortization of intangibles	21	16	38	31
Restructuring charges, net	11	31	41	50
Other income (expense), net	20	12	(28)	(1)
Income before interest and income taxes	114	43	135	34
Interest expense	20	20	39	46
Income (loss) before income taxes	94	23	96	(12)
Income tax expense	(31)	(17)	(62)	(14)
Equity in earnings of affiliates	7	4	11	6
Net income (loss)	70	10	45	(20)
Less: Noncontrolling interests net income	2	1	7	2
Net income (loss) attributable to the parent company	68	9	38	(22)
Preferred stock dividend requirements	7	8	15	16
Net income (loss) available to common stockholders	$ 61	$ 1	$ 23	$ (38)
Net income (loss) per share available to parent company common stockholders:				
Basic	$ 0.41	$ -	$ 0.16	$ (0.28)
Diluted	$ 0.32	$ -	$ 0.15	$ (0.28)
Weighted-average common shares outstanding				
Basic	147	140	146	140
Diluted	215	146	150	140

The accompanying notes are an integral part of the consolidated financial statements.

Dana Holding Corporation
Consolidated Balance Sheet (Unaudited)
(In millions except share and per share amounts)

	June 30, 2011	December 31, 2010
Assets		
Current assets		
Cash and cash equivalents	$ 718	$ 1,090
Marketable securities	58	54
Accounts receivable		
Trade, less allowance for doubtful accounts of $11 in 2011 and 2010	1,124	816
Other	176	184
Inventories		
Raw materials	387	327
Work in process and finished goods	430	381
Other current assets	98	81
Total current assets	2,991	2,933
Goodwill	112	104
Intangibles	481	352
Investments and other assets	267	238
Investments in affiliates	269	123
Property, plant and equipment, net	1,377	1,351
Total assets	$ 5,497	$ 5,101
Liabilities and equity		
Current liabilities		
Notes payable, including current portion of long-term debt	$ 51	$ 167
Accounts payable	1,021	779
Accrued payroll and employee benefits	148	144
Accrued restructuring costs	39	28
Taxes on income	53	38
Other accrued liabilities	246	251
Total current liabilities	1,558	1,407
Long-term debt	867	780
Pension and postretirement obligations	746	740
Other noncurrent liabilities	401	388
Total liabilities	3,572	3,315
Commitments and contingencies (Note 13)		
Parent company stockholders' equity		
Preferred stock, 50,000,000 shares authorized		
Series A, $0.01 par value, 2,500,000 shares outstanding	242	242
Series B, $0.01 par value, 5,221,199 and 5,311,298 shares outstanding	511	520
Common stock, $0.01 par value, 450,000,000 shares authorized, 146,866,944 and 144,126,032 outstanding	1	1
Additional paid-in capital	2,637	2,613
Accumulated deficit	(1,166)	(1,189)
Treasury stock, at cost (512,004 and 379,631 shares)	(7)	(4)
Accumulated other comprehensive loss	(397)	(496)
Total parent company stockholders' equity	1,821	1,687
Noncontrolling equity	104	99
Total equity	1,925	1,786
Total liabilities and equity	$ 5,497	$ 5,101

The accompanying notes are an integral part of the consolidated financial statements.

Dana Holding Corporation
Consolidated Statement of Cash Flows (Unaudited)
(In millions)

	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Cash flows − operating activities		
Net income (loss)	$ 45	$ (20)
Depreciation	110	123
Amortization of intangibles	45	38
Amortization of deferred financing charges and original issue discount	4	13
Loss on sale of business		5
Loss on extinguishment of debt	53	4
Reorganization-related tax claim payment		(75)
Deferred income taxes	4	(6)
Pension expense in excess of contributions	2	9
Change in working capital	(172)	33
Other, net	(11)	(2)
Net cash flows provided by operating activities	80	122
Cash flows − investing activities		
Purchases of property, plant and equipment	(71)	(26)
Acquisition of business	(163)	
Payments to acquire interest in equity affiliates	(124)	
Proceeds from sale of businesses	15	113
Other	(11)	2
Net cash flows provided by (used in) investing activities	(354)	89
Cash flows − financing activities		
Net change in short-term debt	12	13
Proceeds from long-term debt	763	1
Repayment of long-term debt	(872)	(88)
Deferred financing payments	(26)	
Dividends paid to preferred stockholders	(15)	(16)
Dividends paid to noncontrolling interests	(3)	(2)
Other	7	1
Net cash flows used in financing activities	(134)	(91)
Net increase (decrease) in cash and cash equivalents	(408)	120
Cash and cash equivalents − beginning of period	1,090	888
Effect of exchange rate changes on cash balances	36	(11)
Cash and cash equivalents − end of period	$ 718	$ 997

The accompanying notes are an integral part of the consolidated financial statements.

Dana Holding Corporation
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Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies

General

Dana Holding Corporation (Dana) is headquartered in Maumee, Ohio and was incorporated in Delaware in 2007. As a leading supplier of driveline products (axles, driveshafts and transmissions), power technologies (sealing and thermal management products) and genuine service parts for vehicle manufacturers, our customer base includes virtually every major vehicle manufacturer in the global light vehicle, medium/heavy vehicle and off-highway markets.

The terms "Dana," "we," "our" and "us," when used in this report, are references to Dana. These references include the subsidiaries of Dana unless otherwise indicated or the context requires otherwise.

Summary of Significant Accounting Policies

Basis of presentation — Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information. These statements are unaudited, but in the opinion of management include all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of the results for the interim periods. The results reported in these consolidated financial statements should not necessarily be taken as indicative of results that may be expected for the entire year. The financial information included herein should be read in conjunction with the consolidated financial statements in Item 8 of our 2010 Form 10-K.

Segments — The reporting of our operating segment results was reorganized in the first quarter of 2011 in line with changes in our management structure. Certain operations in South America were moved from the Light Vehicle Driveline (LVD) segment to the Commercial Vehicle segment as the activities of these operations have become more closely aligned with the commercial vehicle market. The results of these segments have been retroactively adjusted to conform to the current reporting structure. See Note 17 for segment results.

Marketable securities — During the second quarter of 2011, we determined that marketable securities having original maturities greater than 90 days had been incorrectly reported as cash and cash equivalents in prior periods. As a result, there was an overstatement of cash and cash equivalents and understatement of marketable securities of $44 at December 31, 2010 and of $47 at March 31, 2011 and an understatement of $3 in cash used in investing activities for the three months ended March 31, 2011. With respect to the amounts reported for the six months ended June 30, 2010, the $59 overstatement of December 31, 2009 cash and cash equivalents increased to $62 during the period, causing a $3 overstatement of cash flows provided by investing activities.

In our 2010 Form 10-K, the cash and cash equivalents reported as of December 31, 2007 and 2008 and January 31, 2008 were overstated by $46, $79 and $50 with corresponding understatements of marketable securities. As a result, the reported cash provided by (used in) investing activities for the one month ended January 31, 2008, the eleven months ended December 31, 2008 and the years ended December 31, 2009 and 2010 of $77, $(221), $(98) and $2 should have been $74, $(250), $(78) and $17. Amounts reported in prior periods have been revised in the accompanying financial statements and the related notes. These revisions were not considered material to the current period or to the prior periods to which they relate.

We classify our investments in marketable securities as available for sale. Available-for-sale securities are recorded at fair value with unrealized gains and losses recorded in accumulated other comprehensive income (loss) (AOCI) until realized. Realized gains and losses are recorded using the specific identification method.

Marketable securities are classified in Level 1 if quoted prices are available for those securities in active markets. If quoted market prices are not available, we determine fair values using prices from quoted prices of similar securities. Such securities are generally classified in Level 2. Our fixed income U.S. government agencies securities and certificates of deposit are classified in Level 2.

Recently Issued Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (FASB) issued guidance to improve consistency in application of existing fair value measurement and disclosure requirements. The standard is intended to clarify the application of the requirements, not to establish valuation standards or affect valuation practices outside of financial reporting. The guidance is effective for interim and annual periods beginning on or after December 15, 2011, with early adoption prohibited. We do not expect adoption of this guidance to have an impact on our consolidated financial statements.

In June 2011, the FASB issued guidance to improve the comparability, consistency, and transparency of financial reporting and to increase the prominence of items reported in other comprehensive income. The standard eliminates the current option to present components of other comprehensive income as part of the statement of changes in stockholders' equity. The amendment requires that all nonowner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The amendment does not affect how earnings per share is calculated or presented. The guidance is effective for interim and annual periods beginning after December 15, 2011. Early adoption is permitted.

Note 2. Acquisitions and Divestitures

SIFCO — In February 2011, we entered into an agreement with SIFCO S.A. (SIFCO), a leading producer of steer axles and forged components in South America. In return for payment of $150 to SIFCO, we acquired the distribution rights to SIFCO's commercial vehicle steer axle systems as well as an exclusive long-term supply agreement for key driveline components. Additionally, SIFCO will provide selected assets and assistance to Dana to establish assembly capabilities for these systems. We are now responsible for all customer relationships, including marketing, sales, engineering and assembly. The addition of truck and bus steer axles to our product offering in South America effectively positions us as South America's leading full-line supplier of commercial vehicle drivelines — including front and rear axles, driveshafts and suspension systems. At current production levels, this agreement is expected to generate annual sales of approximately $350.

This agreement is being accounted for as a business combination. The aggregate fair value of the net assets acquired equals the $150 paid to SIFCO with $145 allocated to customer relationships, $25 allocated to fixed assets and $20 allocated to embedded lease obligations. The customer relationships intangible asset will be amortized and the fixed assets will be depreciated on a straight-line basis over 10 years. The embedded lease obligations are being amortized using the effective-interest method over the 10 year useful lives of the related fixed assets. The purchase price allocation is based on preliminary third party valuation estimates and subject to adjustment as the valuation is finalized.

Operating results attributable to our agreement with SIFCO are reported in our Commercial Vehicle segment. We have included revenue of $173 and pre-tax income of $8 in our results of operations since February 1, 2011. Supplemental pro forma information for periods prior to the acquisition has not been provided for the SIFCO agreement. Based on the nature, scope and transitional provisions of the agreement with SIFCO, the preparation of supplemental pro forma information is not practicable.

Dongfeng Dana Axle — In June 2011, we purchased an additional 46% interest in Dongfeng Dana Axle Co., Ltd. (DDAC), a commercial vehicle axle manufacturer in China from Dongfeng Motor Co., Ltd. and certain of its affiliates for $124 plus $3 of transaction costs. Combined with the 4% interest purchased in June 2007, we now own 50% of the registered capital of DDAC.

In connection with our increase in ownership, DDAC entered into an agreement with a Dongfeng Motor affiliate that provides for reductions in the selling price of goods sold by DDAC to such affiliate for a period of up to four years if the earnings of DDAC surpass specified targets. Dana's share of DDAC's earnings could be reduced by an amount not to exceed $20. We have concluded that the impact of this agreement comprises contingent consideration and have preliminarily recorded $5 as the fair value of the contingent consideration.

Our additional investment in DDAC, inclusive of fees and contingent consideration was recorded at its fair value of $132, an excess of $72 over the corresponding DDAC book value. This fair value increase has preliminarily been allocated as follows: (1) property, plant and equipment of $21; (2) amortizable intangible assets of $12; (3) inventories of $1; (4) goodwill of $60; and (5) deferred tax liabilities of $22. The increase in basis related to property, plant and equipment will be depreciated on a straight-line basis over the remaining useful lives of the assets ranging from 10 to 45 years. The amortizable intangible assets will be amortized on a straight-line basis over the remaining useful lives of the assets ranging from four to 15 years. The purchase price allocation is based on preliminary third party valuation estimates and subject to adjustment as the valuations are finalized.

As a result of increasing our investment in DDAC from 4% to 50%, the accounting for our historical investment in DDAC has been retroactively adjusted from the cost to the equity method. The retroactive adjustment increased Dana’s equity in earnings of affiliates by $1 from amounts previously reported for each of the years ended December 31, 2010 and 2009, and had a de minimis impact on the amount previously reported for the year ended December 31, 2008. In addition, the retroactive adjustment increased Dana’s equity in earnings of affiliates by $1 for the six months ended June 30, 2011.

The following unaudited pro forma information presents the results of operations of Dana as if the additional 46% investment in DDAC had taken place at January 1, 2010. The unaudited pro forma financial information is not intended to represent or be indicative of the results of operations of Dana that would have been reported had the acquisition been completed as of the dates presented, and should not be taken as representative of the future results of operations of Dana.

	Six Months Ended June 30,	
	2011	2010
Net income (loss)		
As reported	$ 45	$ (20)
Pro forma	$ 50	$ (15)
Net income (loss) attributable to the parent company		
As reported	$ 38	$ (22)
Pro forma	$ 43	$ (17)
Net income (loss) available to common stockholders		
As reported	$ 23	$ (38)
Pro forma	$ 28	$ (33)
Net income (loss) per share - Basic		
As reported	$ 0.16	$ (0.28)
Pro forma	$ 0.19	$ (0.24)
Net income (loss) per share - Diluted		
As reported	$ 0.15	$ (0.28)
Pro forma	$ 0.19	$ (0.24)

Axles India — In June 2011, we acquired the axle drive head and final assembly business of our Axles India Limited (AIL) equity affiliate for $13. This business is expected to contribute approximately $50 to our annual sales.

This transaction is being accounted for as a business combination. The valuation of the specific assets acquired and liabilities assumed has not been completed. We expect the aggregate fair value of the net assets acquired to approximate the $13 paid to AIL. The estimated fair values of major assets acquired and liabilities assumed are as follows: inventories of $3; equipment of $5; intangible assets of $8; and accounts payable of $3. The purchase price allocations are preliminary and subject to adjustment as the valuations are finalized.

Divestiture of Structural Products business — We sold substantially all of our Structural Products business in 2010. Approximately $30 of the proceeds remained as a receivable at the end of 2010 including $15 related to an earn-out provision, $8 held in escrow and $5 of deferred proceeds. In the first quarter of 2011, we received the earn-out payment of $15. We expect payment of substantially all of the remaining $15 before the fourth quarter of 2011.

Other — We are negotiating the divestiture of our axle, differential and brake systems business serving the leisure, all-terrain-vehicle and utility vehicle markets. Sales of the business approximated $59 in 2010. The assets of the business approximate $20, including $8 of property, plant and equipment, and liabilities approximate $10. These amounts are not material for reporting as items held for sale at June 30, 2011.

Note 3. Restructuring of Operations

We continue to focus on rationalizing our operating footprint — consolidating facilities, positioning operations in lower cost locations and reducing overhead costs. Restructuring expense includes costs associated with current and previously announced actions including various workforce reduction programs, manufacturing footprint optimization actions and other restructuring activities across our global businesses. In connection with our restructuring activities, we classify incremental depreciation as restructuring expense when a planned closure triggers accelerated depreciation. This amount is included in accelerated depreciation/impairment in the table below.

During 2010, we continued to execute strategic business restructuring and headcount reduction initiatives across our businesses. In the first quarter of 2010, we announced our plans to consolidate our Heavy Vehicle operations and close the Kalamazoo, Michigan and Statesville, North Carolina facilities. Certain costs associated with this consolidation were accrued in 2009. We also announced the planned closure of the Yennora, Australia facility in our LVD business and the associated transfer of certain production activity to other global operations.

In the second quarter of 2010, we approved certain additional business realignment and headcount reduction initiatives, primarily in our European and Venezuelan operations. Including costs associated with previously announced initiatives, we expensed $50 for restructuring actions during the first half of 2010, including $34 of severance and related benefit costs, $11 of exit costs and $5 of accelerated depreciation/impairment costs.

During the first quarter of 2011, we reached an agreement with the lessor to settle our LVD facility lease in Yennora, Australia. Under the terms of the agreement, we recognized $20 of lease termination costs during the first quarter. Additionally, during the first quarter of 2011, we announced the planned closure of our LVD manufacturing facility in Marion, Indiana and the consolidation of the associated manufacturing activity in other North American facilities. Including costs of these actions and of previously announced initiatives, we expensed $30 during the first quarter of 2011, including $1 of severance and related benefit costs, $28 of exit costs and $1 of accelerated depreciation/impairment cost.

During the second quarter of 2011, we incurred pension settlement costs associated with the previously announced closure of certain of our Canadian operations (see Note 8). Including costs of these actions and previously announced initiatives, we expensed $11 during the second quarter of 2011, including $7 of severance and related benefit costs, $3 of exit costs and $1 of accelerated depreciation/impairment cost.

Restructuring charges and related payments and adjustments –

	Employee Termination Benefits	Accelerated Depreciation/ Impairment	Exit Costs	Total
Balance at March 31, 2011	$ 18	$ -	$ 23	$ 41
Activity during the period:				
Charges to restructuring	8	1	3	12
Adjustments of accruals	(1)			(1)
Non-cash write-off		(1)		(1)
Pension settlements	(4)			(4)
Cash payments	(5)		(4)	(9)
Currency impact	1			1
Balance at June 30, 2011	$ 17	$ -	$ 22	$ 39
Balance at December 31, 2010	$ 24	$ -	$ 4	$ 28
Activity during the period:				
Charges to restructuring	11	2	31	44
Adjustments of accruals	(3)			(3)
Non-cash write-off		(2)		(2)
Pension settlements	(5)			(5)
Cash payments	(11)		(13)	(24)
Currency impact	1			1
Balance at June 30, 2011	$ 17	$ -	$ 22	$ 39

At June 30, 2011, the accrued employee termination benefits relate to the reduction of approximately 400 employees to be completed over the next two years. The exit costs relate primarily to lease terminations. We estimate cash expenditures to approximate $33 in 2011 and $6 thereafter.

Cost to complete — The following table provides project-to-date and estimated future expenses for completion of our pending restructuring initiatives for our business segments.

	Expense Recognized			Future
	Prior to 2011	2011	Total to Date	Cost to Complete
LVD	$ 46	$ 31	$ 77	$ 15
Power Technologies	14	1	15	2
Commercial Vehicle	42	6	48	13
Off-Highway	6		6	2
Structures		3	3	3
Total	$ 108	$ 41	$ 149	$ 35

The remaining cost to complete includes estimated contractual and noncontractual separation payments, lease continuation costs, equipment transfers and other costs which are required to be recognized as closures are finalized or as incurred during the closure.

Note 4. Goodwill and Other Intangible Assets

Changes in goodwill — Our goodwill balance of $112 at June 30, 2011 is related to the Off-Highway segment. The euro-denominated asset increased by $8 during the first half of 2011 as a result of foreign currency translation. In the first half of 2010, the weakening of the euro caused the goodwill balance to decrease by $16.

Components of other intangible assets —

	Weighted Average Useful Life (years)	June 30, 2011 Gross Carrying Amount	June 30, 2011 Accumulated Impairment and Amortization	June 30, 2011 Net Carrying Amount	December 31, 2010 Gross Carrying Amount	December 31, 2010 Accumulated Impairment and Amortization	December 31, 2010 Net Carrying Amount
Amortizable intangible assets							
Core technology	7	$ 97	$ (51)	$ 46	$ 94	$ (43)	$ 51
Trademarks and trade names	17	4	(1)	3	4	(1)	3
Customer relationships	8	583	(224)	359	412	(179)	233
Other intangibles	8	8		8			
Non-amortizable intangible assets							
Trademarks and trade names		65		65	65		65
		$ 757	$ (276)	$ 481	$ 575	$ (223)	$ 352

Other intangibles represent the preliminary valuation of intangible assets related to our acquisition of the axle drive head and final assembly business of our Axles India Limited equity affiliate. The net carrying amounts of intangible assets, other than goodwill, attributable to each of our operating segments at June 30, 2011 were as follows: LVD — $17, Power Technologies — $42, Commercial Vehicle — $293 and Off-Highway — $129.

Amortization expense related to the amortizable intangible assets —

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Charged to cost of sales	$ 3	$ 3	$ 7	$ 7
Charged to amortization of intangibles	21	16	38	31
Total amortization	$ 24	$ 19	$ 45	$ 38

The following table provides the estimated aggregate pre-tax amortization expense related to intangible assets for each of the next five years based on June 30, 2011 exchange rates. Actual amounts may differ from these estimates due to such factors as currency translation, customer turnover, impairments, additional intangible asset acquisitions and other events.

	Remainder of 2011	2012	2013	2014	2015
Amortization expense	$ 46	$ 93	$ 93	$ 60	$ 28

Note 5. Capital Stock

Series A and Series B preferred stock — Dividends on our 4.0% Series A Convertible Preferred Stock and 4.0% Series B Convertible Preferred Stock (preferred stock) have been accrued from the issue date and are payable in cash as approved by the Board of Directors. Preferred dividends accrued at June 30, 2011 were $7 related to the quarter ended June 30, 2011.

During the first half of 2011, holders of 90,099 shares of Series B Preferred Stock elected to convert those preferred shares into common stock and received 760,945 shares. The common stock issued included shares to satisfy the accrued dividends owed to the converting preferred stock holders. Based on the market price of Dana common stock on the date of conversion, the total fair value of the conversions was $14.

Note 6. Earnings per Share

The following table reconciles the weighted-average number of shares used in the basic earnings per share calculations to the weighted-average number of shares used to compute diluted earnings per share.

	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	2011	2010	2011	2010
Weighted-average number of shares outstanding - basic	146.7	140.3	146.0	139.9
Employee compensation-related shares, including stock options	3.4	5.8	3.7	
Conversion of preferred stock	64.7			
Weighted-average number of shares outstanding - diluted	214.8	146.1	149.7	139.9

Basic income per share is calculated by dividing the net income available to parent company stockholders, less preferred stock dividend requirements, by the weighted-average number of common shares outstanding. The outstanding common shares computation excludes any shares held in treasury.

The share count for diluted income per share is computed on the basis of the weighted-average number of common shares outstanding plus the effects of dilutive common stock equivalents (CSEs) outstanding during the period. We excluded 0.5 million and 1.4 million CSEs from the calculations of diluted earnings per share for the quarters ended June 30, 2011 and 2010 and 0.4 million and 1.9 million CSEs from the calculations of diluted earnings per share for the six months ended June 30, 2011 and 2010 as the effect of including them would have been anti-dilutive. In addition, we excluded CSEs that satisfied the definition of potentially dilutive shares of 5.7 million for the six-month period in 2010 due to the dilutive effect of the loss for the period.

We excluded 66.2 million CSEs related to the assumed conversion of the preferred stock for the quarter ended June 30, 2010 and 65.5 and 66.2 million CSEs for the six-month periods in 2011 and 2010. The effect of the conversion of the preferred stock would be anti-dilutive for those periods.

Note 7. Stock Compensation

Our Board of Directors approved the grant of stock options, stock appreciation rights (SARs), restricted stock units (RSUs) and performance share units (PSUs) shown in the table below during the first half of 2011 under the 2008 Omnibus Incentive Plan.

		Weighted-average	
	Granted (In millions)	Per Share Exercise Price	Grant Date Fair Value
Stock options	0.6	$ 17.52	$ 9.82
SARs	0.1	$ 17.80	$ 10.00
RSUs	0.9		$ 17.31
PSUs	0.2		$ 17.80

Stock options and SARs related to 1.8 million shares were exercised and 0.2 million shares were forfeited in the first half of 2011. We received $10 of cash from the exercise of stock options and we paid $4 of cash to settle SARs, RSUs and PSUs during the first half of 2011. We also issued 0.2 million shares related to PSUs based on achievement of our 2010 performance goals and 0.2 million in RSUs based on vesting.

We estimated fair values for options and SARs granted during 2011 using the following key assumptions as part of the Black-Scholes option pricing model. The expected term was estimated using the simplified method because the limited period of time our common stock has been publicly traded provides insufficient historical exercise data. The expected volatility was estimated using a combination of the historical volatility of similar entities and the implied volatility of our exchange-traded options. The dividend yield is assumed to be zero since there are no current plans to pay common stock dividends.

	Options	SARs
Expected term (in years)	6.00	6.00
Risk-free interest rate	2.64%	2.67%
Expected volatility	58.08%	58.20%

We recognized stock compensation expense of $5 and $3 during the second quarter of 2011 and 2010 and $8 and $6 during the first half of 2011 and 2010. At June 30, 2011, the total unrecognized compensation cost related to the non-vested portions of all stock based awards granted and expected to vest over the next 0.1 to 2.8 years was $25. This cost is expected to be recognized over a weighted-average period of 1.0 year.

Note 8. Pension and Postretirement Benefit Plans

We have a number of defined contribution and defined benefit, qualified and nonqualified, pension plans for certain employees. Other postretirement benefits (OPEB), including medical and life insurance, are provided for certain employees upon retirement.

Components of net periodic benefit costs —

	Pension				OPEB - Non-U.S.	
	2011		2010			
Three Months Ended June 30,	U.S.	Non-U.S.	U.S.	Non-U.S.	2011	2010
Interest cost	$ 22	$ 3	$ 26	$ 5	$ 2	$ 2
Expected return on plan assets	(26)	(1)	(24)	(2)		
Service cost		2		1		
Amortization of net actuarial loss	5		3			
Net periodic benefit cost before curtailments and settlements	1	4	5	4	2	2
Settlement loss		4		1		
Net periodic benefit cost	$ 1	$ 8	$ 5	$ 5	$ 2	$ 2
Six Months Ended June 30,						
Interest cost	$ 46	$ 7	$ 52	$ 9	$ 4	$ 4
Expected return on plan assets	(52)	(2)	(48)	(3)		
Service cost		3		2		
Amortization of net actuarial loss	10		6			
Net periodic benefit cost before curtailments and settlements	4	8	10	8	4	4
Curtailment gain						(1)
Settlement loss		5		1		
Net periodic benefit cost	$ 4	$ 13	$ 10	$ 9	$ 4	$ 3

During the first half of 2011, we continued to settle portions of our Canadian retiree pension benefit obligations by making lump-sum payments and by purchasing non-participating annuity contracts to cover vested benefits. As a result of these actions, we reduced the benefit obligations by $75 and also reduced the fair value of plan assets by $75. The related settlement loss of $5 was included in restructuring charges.

Note 9. Comprehensive Income (Loss)

The following table presents changes in consolidated equity attributable to parent and noncontrolling interests:

	2011			2010		
Three Months Ended June 30,	Attributable to Parent	Attributable to Non-controlling Interests	Total Equity	Attributable to Parent	Attributable to Non-controlling Interests	Total Equity
Balance, March 31	$ 1,712	$ 102	$ 1,814	$ 1,623	$ 101	$ 1,724
Net income	68	2	70	9	1	10
Currency translation adjustments	32	1	33	(64)		(64)
Defined benefit plans	9		9	4		4
Unrealized investment gains and other	1		1	3		3
Other comprehensive income (loss)	42	1	43	(57)		(57)
Total comprehensive income (loss)	110	3	113	(48)	1	(47)
Other changes in equity:						
Preferred stock dividends	(7)		(7)	(8)		(8)
Stock compensation	6		6	5		5
Dividends declared		(1)	(1)		(4)	(4)
Ending Balance, June 30	$ 1,821	$ 104	$ 1,925	$ 1,572	$ 98	$ 1,670

Six Months Ended June 30,	2011 Attributable to Parent	2011 Attributable to Non-controlling Interests	2011 Total Equity	2010 Attributable to Parent	2010 Attributable to Non-controlling Interests	2010 Total Equity
Balance, December 31	$ 1,687	$ 99	$ 1,786	$ 1,680	$ 100	$ 1,780
Net income (loss)	38	7	45	(22)	2	(20)
Currency translation adjustments	83	1	84	(92)	1	(91)
Defined benefit plans	15		15	6		6
Reclassification to net loss of divestiture's cumulative translation adjustment				10		10
Unrealized investment gains (losses) and other	1		1	(1)		(1)
Other comprehensive income (loss)	99	1	100	(77)	1	(76)
Total comprehensive income (loss)	137	8	145	(99)	3	(96)
Other changes in equity:						
Preferred stock dividends	(15)		(15)	(16)		(16)
Stock compensation	12		12	7		7
Dividends declared		(3)	(3)		(5)	(5)
Ending Balance, June 30	$ 1,821	$ 104	$ 1,925	$ 1,572	$ 98	$ 1,670

The noncontrolling interests net income reported for the first half of 2011 includes a $3 charge to correct the amounts reported in 2010. This amount is not material to the current period or to the prior periods to which it relates.

Note 10. Cash Deposits and Marketable Securities

Cash deposits are maintained to provide credit enhancement for certain agreements and are reported as part of cash and cash equivalents. For most of these deposits, the cash may be withdrawn if comparable security is provided in the form of letters of credit. Accordingly, these deposits are not considered to be restricted.

	U.S.	Non-U.S.	Total
Cash and cash equivalents	$ 197	$ 419	$ 616
Cash and cash equivalents held as deposits	3	35	38
Cash and cash equivalents held at less than wholly-owned subsidiaries		64	64
Balance at June 30, 2011	$ 200	$ 518	$ 718

A portion of the non-U.S. cash and cash equivalents is utilized for working capital and other operating purposes. Several countries have local regulatory requirements that significantly restrict the ability of our operations to repatriate this cash. Beyond these restrictions, there are practical limitations on repatriation of cash from certain countries because of the resulting tax withholdings.

The following table summarizes information regarding marketable securities:

	June 30, 2011 Cost	June 30, 2011 Unrealized Gains	June 30, 2011 Fair Value	December 31, 2010 Cost	December 31, 2010 Unrealized Gains	December 31, 2010 Fair Value
U.S. government and agencies	$ 25	$ -	$ 25	$ 23	$ -	$ 23
Corporate equity securities	5	4	9	5	3	8
Certificates of deposit	12		12	15		15
Mutual funds	12		12	8		8
Total marketable securities	$ 54	$ 4	$ 58	$ 51	$ 3	$ 54

U.S. government agencies securities and certificates of deposit maturing in one year or less and maturing after one year through five years total $12 and $25 at June 30, 2011.

Dana realized proceeds from liquidating available-for-sale marketable securities prior to their scheduled maturities in the three months and six months ended June 30 of $2 and $7 in 2011 and $8 and $15 in 2010. The related gains and losses realized on this activity were de minimis.

Note 11. Financing Agreements

Senior notes — In January 2011, we completed the sale of $400 in senior unsecured notes at 6.50%, due February 15, 2019 (the 2019 Notes) and $350 in senior unsecured notes at 6.75%, due February 15, 2021 (the 2021 Notes) (collectively, the Senior Notes). Interest on the notes is payable on February 15 and August 15 of each year beginning on August 15, 2011. Net proceeds of the offerings totaled approximately $733, net of the underwriting commission of $15 and fees of $2. The underwriting commission and debt issue costs were recorded as deferred costs and will be amortized to interest expense over the life of the Senior Notes. The net proceeds, plus cash and cash equivalents on hand of $127 (net of amounts paid to a Dana subsidiary), were used to repay all amounts outstanding under our existing Term Facility. In connection with the sale of the Senior Notes, we wrote off $51 of previously deferred financing costs and original issue discount (OID) to loss on extinguishment of debt.

At any time on or after February 15, 2015, we may redeem some or all of the Senior Notes at the following redemption prices (expressed as percentages of principal amount), plus accrued and unpaid interest to the redemption date, if redeemed during the 12-month period commencing on February 15 of the years set forth below:

	Redemption Price	
Year	2019 Notes	2021 Notes
2015	103.250%	
2016	101.625%	103.375%
2017	100.000%	102.250%
2018	100.000%	101.125%
2019 and thereafter	100.000%	100.000%

Prior to February 15, 2015 for the 2019 Notes and prior to February 15, 2016 for the 2021 Notes, during any 12-month period, we may at our option redeem up to 10% of the aggregate principal amount of the notes at a redemption price equal to 103% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date. Prior to these dates, we may also redeem some or all of the notes at a redemption price equal to 100% of the aggregate principal amount, plus accrued and unpaid interest, if any, to the redemption date plus a "make-whole" premium. At any time prior to February 15, 2014 for the 2019 Notes and February 15, 2015 for the 2021 Notes, we may redeem up to 35% of the aggregate principal amount of the notes in an amount not to exceed the amount of proceeds of one or more equity offerings, at a price equal to 106.5% (2019 Notes) and 106.75% (2021 Notes) of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, provided that at least 65% of the original aggregate principal amount of the notes issued remains outstanding after the redemption.

Revolving facility — In order to complete the refinancing of our term debt in January 2011, we entered into a second amendment (the Amendment) to our Revolving Credit and Guaranty Agreement (the Revolving Facility). The Amendment permitted, among other things, repayment in full of all amounts outstanding under our then existing term debt using the net proceeds from the issuance of the Senior Notes and our current cash and cash equivalents. Following the issuance of the Senior Notes, we received commitments from new and existing lenders for a $500 amended and extended revolving credit facility (the New Revolving Facility). The New Revolving Facility extends the maturity of the revolving facility to five years from the date of execution in February 2011 and reduces the aggregate principal amount of the facility from $650 to $500. In connection with the amended revolving facility, we paid fees of $6 which were recorded in the first quarter of 2011 as deferred costs and we wrote off $2 of previously deferred financing costs to loss on extinguishment of debt.

The New Revolving Facility is guaranteed by all of our domestic subsidiaries except for Dana Credit Corporation and Dana Companies, LLC and their respective subsidiaries (the guarantors) and grants a first priority lien on Dana's and the guarantors' accounts receivable and inventory and a second priority lien on substantially all of Dana's and the guarantors' remaining assets, including a pledge of 65% of the stock of our material foreign subsidiaries.

The New Revolving Facility bears interest at a floating rate based on, at our option, the base rate or London Interbank Offered Rate (LIBOR) (each as described in the New Revolving Facility) plus a margin based on the undrawn amounts available under the New Revolving Facility as set forth below:

Remaining Borrowing Availability	Base Rate	LIBOR Rate
Greater than $350	1.50%	2.50%
Greater than $150 but less than or equal to $350	1.75%	2.75%
$150 or less	2.00%	3.00%

Commitment fees are applied based on the average daily unused portion of the available amounts under the New Revolving Facility. If the average daily use is less than 50%, the applicable fee will be 0.50% per annum. If the average daily unused portion of the New Revolving Facility is equal to or greater than 50%, the applicable fee will be 0.625% per annum. Up to $300 of the New Revolving Facility may be applied to letters of credit, which reduces availability. We pay a fee for issued and undrawn letters of credit in an amount per annum equal to the applicable LIBOR margin based on a quarterly average availability under the New Revolving Facility and a per annum fronting fee of 0.25%, payable quarterly.

At June 30, 2011, we had $750 principal amount of Senior Notes outstanding. There were no borrowings under the New Revolving Facility but we had utilized $85 for letters of credit. The weighted-average interest rate on the Senior Notes was 6.62% at June 30, 2011. Based on our borrowing base collateral of $432, we had potential availability at that date under the New Revolving Facility of $347 after deducting the outstanding letters of credit.

European receivables loan facility — In March 2011, we terminated our previous European receivables loan agreements and established a new five-year €75 ($109 at the June 30, 2011 exchange rate) receivables securitization program. Availability under the program is subject to the existence of adequate levels of supporting accounts receivable. At June 30, 2011, we had potential availability of $99 based on the effective borrowing base. Deferred fees of less than $1 on the former agreement were charged to loss on extinguishment of debt and new fees of $2 were deferred and are being charged to interest expense over the term of the program.

Advances under the program will bear interest based on the London Interbank Offered Rate (LIBOR) applicable to the currency in which each advance is denominated or an Alternate Base Rate (as defined). All advances are to be repaid in full by March 2016. Dana will pay a fee on any unused amount of the program, in addition to other customary fees. The program is subject to customary representations and warranties, covenants and events of default. As of June 30, 2011, we had no borrowings under this program.

Debt covenants — At June 30, 2011, we were in compliance with the covenants of our debt agreements. Under the New Revolving Facility and the Senior Notes, we are required to comply with certain incurrence-based covenants customary for facilities of these types.

The incurrence-based covenants in the New Revolving Facility permit Dana to, among other things, (i) issue foreign subsidiary indebtedness, (ii) incur general indebtedness, which can be secured by the assets that previously secured the Term Facility on a first priority basis and (iii) incur additional unsecured debt so long as the pro forma minimum fixed charge coverage ratio is at least 1.1:1.0. Dana may also make dividend payments in respect of its common stock as well as certain investments and acquisitions so long as there is (i) at least $125 of pro forma excess borrowing availability or (ii) at least $75 of pro forma excess borrowing availability and the pro forma minimum fixed charge coverage ratio is at least 1.1:1.0. The indenture governing the Senior Notes includes similar incurrence-based covenants that may subject Dana to additional specified limitations.

Note 12. Fair Value Measurements and Derivatives

In measuring the fair value of our assets and liabilities, we use market data or assumptions that we believe market participants would use in pricing an asset or liability including assumptions about risk when appropriate. Our valuation techniques include a combination of observable and unobservable inputs.

Fair value measurements on a recurring basis — Assets and liabilities that are carried in our balance sheet at fair value are as follows:

		Fair Value Measurements Using		
June 30, 2011	Total	Quoted Prices in Active Markets (Level 1)	Significant Inputs Observable (Level 2)	Significant Inputs Unobservable (Level 3)
Notes receivable - noncurrent asset	$ 109	$ -	$ -	$ 109
Marketable securities - current asset	58	21	37	
Currency forward contracts - current asset	1		1	
Currency forward contracts - current liability	2		2	
December 31, 2010				
Notes receivable - noncurrent asset	$ 103	$ -	$ -	$ 103
Marketable securities - current asset	54	16	38	
Currency forward contracts - current asset	1		1	
Currency forward contracts - current liability	5		5	

Foreign currency derivatives — The total notional amounts of outstanding foreign currency derivatives as of June 30, 2011 and December 31, 2010 were $80 and $108 comprised of currency forward contracts involving the exchange of U.S. dollars, euros, British pounds, Canadian dollars, Swiss francs, Swedish krona, Japanese yen, Hungarian forints, South African rand and Indian rupees as well as a cross-currency swap involving the exchange of Australian dollars and South African rand. At June 30, 2011, currency forward contracts with notional amounts of $48 were designated as cash flow hedges.

Amounts to be reclassified to earnings — Deferred gains at June 30, 2011 and losses at December 31, 2010 reported in AOCI include de minimis amounts expected to be reclassified to earnings during the next twelve months. Amounts expected to be reclassified to earnings assume no change in the current hedge relationships or to June 30, 2011 market rates. A de minimis amount was reclassified from AOCI to earnings in the first half of 2011.

Changes in Level 3 recurring fair value measurements —

	Three Months Ended June 30,		Six Months Ended June 30,	
Notes receivable	2011	2010	2011	2010
Beginning of period	$ 106	$ 94	$ 103	$ 94
Accretion of value (interest income)	3	3	6	5
Note sold in Structures sale				(2)
End of period	$ 109	$ 97	$ 109	$ 97

Substantially all of the notes receivable balance consists of one note, due 2019, obtained in connection with a divestiture in 2004. Its fair value is adjusted each quarter to the lower of its callable value or its market value, which is based on the publicly traded debt of the operating subsidiary of the obligor. The fair value of the note at June 30, 2011 and December 31, 2010 approximated the callable value and we believe that the note will be paid in full at the end of the term or sooner.

Fair value measurements on a nonrecurring basis — In addition to items that are measured at fair value on a recurring basis, we also have long-lived assets that may be measured at fair value on a nonrecurring basis. These assets include intangible assets and property, plant and equipment which may be written down to fair value as a result of impairment.

Note 13. Commitments and Contingencies

Asbestos personal injury liabilities — We had approximately 27,000 active pending asbestos personal injury liability claims at June 30, 2011 versus 30,000 at December 31, 2010. In addition, approximately 11,000 mostly inactive claims have been settled and are awaiting final documentation and dismissal, with or without payment. We have accrued $96 for indemnity and defense costs for settled, pending and future claims at June 30, 2011, compared to $101 at December 31, 2010. We use a fifteen-year time horizon for our estimate of this liability.

At June 30, 2011, we had recorded $51 as an asset for probable recovery from our insurers for the pending and projected asbestos personal injury liability claims, compared to $52 recorded at December 31, 2010. The recorded asset represents our assessment of the capacity of our current insurance agreements to provide for the payment of anticipated defense and indemnity costs for pending claims and projected future demands. The recognition of these recoveries is based on our assessment of our right to recover under the respective contracts and on the financial strength of the insurers. We have coverage agreements in place with our insurers confirming substantially all of the related coverage and payments are being received on a timely basis. The financial strength of these insurers is reviewed at least annually with the assistance of a third party. The recorded asset does not represent the limits of our insurance coverage, but rather the amount we would expect to recover if we paid the accrued indemnity and defense costs.

During the quarter ended June 30, 2011, we reached an agreement with an insurer to settle a long-standing claim pending in the liquidation proceedings of the insurer and recorded the estimated fair value of the recovery. As a result, other income includes a $6 credit for this recovery of past outlays related to asbestos claims. During the first half of 2010, we recorded $1 of expense (before tax) ($2 during the first quarter, offset by a $1 credit during the second quarter) to correct amounts primarily related to asbestos receivables at December 31, 2009. These adjustments were not considered material to the reporting periods in 2010 or to the prior periods to which they relate.

Other product liabilities — We had accrued $1 for non-asbestos product liability costs at June 30, 2011 and December 31, 2010, with no recovery expected from third parties at either date. We estimate these liabilities based on assumptions about the value of the claims and about the likelihood of recoveries against us derived from our historical experience and current information.

Environmental liabilities — Accrued environmental liabilities were $12 at June 30, 2011 and $13 at December 31, 2010. We consider the most probable method of remediation, current laws and regulations and existing technology in determining the fair value of our environmental liabilities. Other accounts receivable included $1 recoverable from an insurer at both dates.

Bankruptcy claims resolution — Dana and forty of its wholly-owned subsidiaries (collectively, the Debtors) reorganized under Chapter 11 of the U.S. Bankruptcy Code (Chapter 11) from March 3, 2006 until emergence on January 31, 2008 (the Effective Date). On the Effective Date, we consummated the Third Amended Joint Plan of Reorganization of Debtors and Debtors in Possession as modified (the Plan) and emerged from Chapter 11. As provided in the Plan, we issued and set aside approximately 28 million shares of Dana common stock (valued in reorganization at $640) for future distribution to holders of allowed unsecured nonpriority claims in Class 5B under the Plan. These shares are being distributed as the disputed and unliquidated claims are resolved. Since emergence, we have issued 24 million of the 28 million shares for allowed claims (valued in reorganization at $558), increasing the total shares issued to 94 million (valued in reorganization at $2,186) for unsecured claims of approximately $2,266. The corresponding decrease in the disputed claims reserve leaves approximately 4 million shares (valued in reorganization at $84). All previously disputed and unliquidated claims have been settled. Accordingly the 4 million remaining shares will be distributed to the holders of the previously allowed general unsecured claims in Class 5B.

Other legal matters — We are subject to various pending or threatened legal proceedings arising out of the normal course of business or operations. In view of the inherent difficulty of predicting the outcome of such matters, we cannot state what the eventual outcome of these matters will be. However, based on current knowledge and after consultation with legal counsel, we do not believe that any liabilities that may result from these proceedings are reasonably likely to have a material adverse effect on our liquidity, financial condition or results of operations.

Note 14. Warranty Obligations

We record a liability for estimated warranty obligations at the dates our products are sold. We record the liability based on our estimate of costs to settle future claims. Adjustments are made as new information becomes available. Changes in our warranty liabilities are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Balance, beginning of period	$ 85	$ 82	$ 85	$ 83
Amounts accrued for current period sales	15	12	25	24
Adjustments of prior accrual estimates		2	1	3
Settlements of warranty claims	(10)	(11)	(23)	(24)
Currency impact and other	2	(2)	4	(3)
Balance, end of period	$ 92	$ 83	$ 92	$ 83

We have been notified of an alleged quality issue at a foreign subsidiary of Dana that produces engine coolers for a unit of Sogefi SpA that were used in modules supplied to Volkswagen. Based on the information currently available to us, we do not believe that this matter will result in a material liability to Dana.

Note 15. Income Taxes

We estimate the effective tax rate expected to be applicable for the full fiscal year and use that rate to provide for income taxes in interim reporting periods. We also recognize the tax impact of certain discrete (unusual or infrequently occurring) items, including changes in judgment about valuation allowances and effects of changes in tax laws or rates, in the interim period in which they occur.

We reported income tax expense of $31 and $17 for the quarters ended June 30, 2011 and 2010 and $62 and $14 for the respective six month periods. The income tax rate varies from the U.S. federal statutory rate of 35% due to valuation allowances in several countries, non-deductible expenses, different statutory rates outside of the U.S. and withholding taxes related to expected repatriations of international earnings to the U.S.

We record interest income or expense, as well as penalties, related to uncertain tax positions as a component of income tax expense or benefit. Net interest expense for the periods presented herein is de minimis.

We provide for U.S. federal income and non-U.S. withholding taxes on the earnings of our non-U.S. operations that are not considered to be permanently reinvested. Accordingly, we continue to analyze and adjust the estimated tax impact of the income and non-U.S. withholding liabilities based on the amount and source of these earnings. We recognized an expense of $1 for both of the quarters ended June 30, 2011 and 2010 and $1 and $3 for the respective six month periods.

We have generally not recognized tax benefits on losses generated in several countries, including the U.S., where the recent history of operating losses does not allow us to satisfy the "more likely than not" criterion for the recognition of deferred tax assets. Consequently, there is no income tax benefit recognized on the pre-tax losses in these jurisdictions as valuation allowances are established offsetting the associated tax benefit.

Note 16. Other Income (Expense), Net

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Interest income	$ 6	$ 7	$ 13	$ 13
Foreign exchange gain (loss)	1	2	(2)	(10)
Loss on extinguishment of debt			(53)	(4)
Loss on sale of Structural Products business				(5)
Other	13	3	14	5
Other income (expense), net	$ 20	$ 12	$ (28)	$ (1)

As discussed in Note 11 above, the losses on extinguishment of debt resulted primarily from repayment of our Term Facility debt. The losses represent the OID and deferred financing fees written off in connection with early payments of principal and modifications of our borrowing programs. As discussed in Note 13 above, a recovery finalized in June 2011 of past outlays related to asbestos claims resulted in a $6 credit to other income.

Foreign exchange gains and losses on cross-currency intercompany loan balances that are not considered permanently invested are reported above. Foreign exchange gains and losses on loans that are permanently invested are reported in other comprehensive income (loss). Foreign exchange loss for the first half of 2010 also includes a charge of $3 resulting from the devaluation of the Venezuelan bolivar.

Note 17. Segments

The components that management establishes for purposes of making decisions about an enterprise's operating matters are referred to as "operating segments." We manage our operations globally through five operating segments – two on-highway segments, Light Vehicle Driveline (LVD) and Commercial Vehicle, Off-Highway, Power Technologies and Structures. The reporting of our operating segment results was reorganized in the first quarter of 2011 in line with changes in our management structure. Certain operations in South America were moved from the LVD segment to the Commercial Vehicle segment as the activities of these operations have become more closely aligned with the commercial vehicle market. The results of these segments have been retroactively adjusted to conform to the current reporting structure.

We report the results of our operating segments and related disclosures about each of our segments on the basis that is used internally for evaluating segment performance and deciding how to allocate resources to those segments. The primary measure of operating results is segment EBITDA. Management believes that adjusted EBITDA is an important measure since the financial covenants in our debt agreements are based, in part, on adjusted EBITDA. Our segments are charged for corporate and other shared administrative costs.

We used the following information to evaluate our operating segments:

	2011			2010		
Three Months Ended June 30,	External Sales	Inter-Segment Sales	Segment EBITDA	External Sales	Inter-Segment Sales	Segment EBITDA
LVD	$ 654	$ 53	$ 60	$ 621	$ 48	$ 64
Power Technologies	269	7	37	234	7	35
Commercial Vehicle	583	30	55	364	22	39
Off-Highway	414	16	51	287	10	25
Structures	13		1	18		(3)
Eliminations and other		(106)		2	(87)	
Total	$ 1,933	$ -	$ 204	$ 1,526	$ -	$ 160
Six Months Ended June 30,						
LVD	$ 1,327	$ 109	$ 126	$ 1,169	$ 92	$ 106
Power Technologies	536	14	77	462	13	62
Commercial Vehicle	1,058	59	98	695	44	63
Off-Highway	787	31	92	544	18	46
Structures	24		1	162	2	8
Eliminations and other	1	(213)		2	(169)	
Total	$ 3,733	$ -	$ 394	$ 3,034	$ -	$ 285

The following table reconciles segment EBITDA to consolidated income (loss) before income taxes:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Segment EBITDA	$ 204	$ 160	$ 394	$ 285
Corporate expense and other items, net	(3)	(6)	(12)	(23)
Depreciation	(55)	(61)	(110)	(123)
Amortization of intangibles	(24)	(19)	(45)	(38)
Restructuring	(11)	(31)	(41)	(50)
Loss on extinguishment of debt			(53)	(4)
Other expenses			(4)	
Loss on sale of assets, net		(1)	(1)	(6)
Stock compensation expense	(2)	(3)	(4)	(5)
Foreign exchange on intercompany loans, Venezuelan currency devaluation and market value adjustments on forwards	(1)	(3)	(2)	(15)
Interest expense	(20)	(20)	(39)	(46)
Interest income	6	7	13	13
Income (loss) before income taxes	$ 94	$ 23	$ 96	$ (12)

Note 18. Equity Affiliates

Equity Affiliates **—** At June 30, 2011, we had a number of investments in entities that engage in the manufacture of vehicular parts **—** primarily axles, driveshafts, wheel-end braking systems and all-wheel drive systems — supplied to OEMs.

The following table reflects our ownership percentages and the balances of equity method investments exceeding $5 at June 30, 2011:

	Ownership Percentage	Investment
Dongfeng Dana Axle Co., Ltd.	50%	$ 140
GETRAG entities (1)	42% to 49%	77
Bendix Spicer Foundation Brake, LLC	20%	29
Axles India Limited	48%	7
All others as a group	Various	11
Investments in equity affiliates		264
Investment in affiliates carried at cost	Various	5
Investment in affiliates		$ 269

(1) Dana owns 49% of GETRAG Corporation and 42% of GETRAG Dana Holding GmbH

The following table presents summarized financial information for the GETRAG entities:

	Six Months Ended June 30,	
	2011	2010
Sales	$ 400	$ 320
Gross profit	$ 56	$ 50
Pre-tax income	$ 24	$ 23
Net income	$ 15	$ 15
Parent company equity earnings in affiliate	$ 5	$ 6

On July 27, 2011, we entered into definitive agreements to sell our equity interests in GETRAG Corporation and GETRAG Dana Holding GmbH for $136. As of June 30, 2011, our investment balances in the GETRAG entities totaled $77. We will continue to record our share of equity in earnings of the GETRAG entities through the closing date of the transactions. We anticipate the transactions will be completed by September 30, 2011.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations (Dollars in millions)***

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with the financial statements and accompanying notes in this report.

Forward-looking Information

Statements in this report (or otherwise made by us or on our behalf) that are not entirely historical constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are indicated by words such as "anticipates," "expects," "believes," "intends," "plans," "estimates," "projects," “outlook” and similar expressions. These statements represent the present expectations of Dana Holding Corporation and its consolidated subsidiaries based on our current information and assumptions. Forward-looking statements are inherently subject to risks and uncertainties. Our plans, actions and actual results could differ materially from our present expectations due to a number of factors, including those discussed below and elsewhere in this report and in our other filings with the Securities and Exchange Commission (SEC). All forward-looking statements speak only as of the date made or the date of this filing and we undertake no obligation to publicly update or revise any forward-looking statement to reflect events or circumstances that may arise after the date of this report.

Management Overview

Dana is headquartered in Maumee, Ohio and was incorporated in Delaware in 2007. As a leading supplier of driveline products (axles, driveshafts and transmissions), power technologies (sealing and thermal-management products) and genuine service parts for vehicle manufacturers world-wide, our customer base includes virtually every major vehicle manufacturer in the global light vehicle, medium/heavy vehicle and off-highway markets. At June 30, 2011, we employed approximately 24,000 people, operated in 26 countries and had 93 major manufacturing/distribution, engineering and office facilities around the world.

In the first half of 2011, 44% of our sales came from North American operations and 56% from operations throughout the rest of the world. We manage our operations globally through five operating segments – two on-highway segments, Light Vehicle Driveline (LVD) and Commercial Vehicle, Off-Highway, Power Technologies and Structures.

Our internet address is www.dana.com. The inclusion of our website address in this report is an inactive textual reference only and is not intended to include or incorporate by reference the information on our website into this report.

Business Strategy

During the past three years, we have significantly improved our financial condition — reducing debt, raising additional equity, improving the profitability of customer programs, eliminating structural costs and reducing working capital investment. We have also strengthened our leadership team and streamlined our operating segments to focus on our core light vehicle driveline and power technologies businesses and our heavy vehicle on-highway commercial and off-highway businesses. As a result, we believe that we are well-positioned to put increasing focus on profitable growth.

While we intend to continue aggressively reducing cost and streamlining our business operations, our future strategy includes several growth initiatives directed at strengthening the competitiveness of our products, geographic expansion, aftermarket opportunities and selective acquisitions.

Strengthening the competitiveness of our products — Additional engineering and operational investment is being channeled into reinvigorating our product portfolio and capitalizing on technology advancement opportunities. In 2010, we combined our light and heavy vehicle products' North American engineering centers allowing us the opportunity to better share technologies among our businesses. New engineering facilities in India and China that are in the process of construction will more than double our engineering presence in the Asia Pacific region with state-of-the-art design and test capabilities that globally support each of our businesses.

Geographic expansion — Although there are growth opportunities in each region, we have a primary focus in the Asia Pacific region, especially India and China. In addition to new engineering facilities in India and China, during the second quarter of 2011 a new hypoid gear manufacturing facility in India began production and we completed two transactions – our planned investment in our China-based joint venture with Dongfeng and the acquisition of the axle drive head and final assembly business from our Axles India joint venture – which significantly increase our commercial vehicle driveline presence in the region. We have experienced considerable success in the China off-highway and industrial markets and we believe there is considerable opportunity for future growth in these markets. In South America, our strategic agreement with SIFCO completed earlier this year makes us the leading full driveline supplier in the South American commercial vehicle market.

Aftermarket opportunities — We have established a global group dedicated to identifying and developing aftermarket growth opportunities that leverage the capabilities within our existing businesses — targeting future aftermarket revenues of 20% of consolidated sales.

Selective acquisitions — Our current acquisition focus is to identify "bolt-on" acquisition opportunities like the strategic agreement with SIFCO and the Axles India acquisition completed this year that have a strategic fit with our existing businesses, particularly opportunities that would support the other growth initiatives discussed above and enhance the value proposition of our customer product offerings. Any potential acquisition will be evaluated in the same manner we currently consider customer program opportunities — with a disciplined financial approach designed to ensure profitable growth.

Acquisitions

SIFCO — In February 2011, we entered into an agreement with SIFCO S.A. (SIFCO), a leading producer of steer axles and forged components in South America. In return for payment of $150 to SIFCO, we acquired the distribution rights to SIFCO's commercial vehicle steer axle systems as well as an exclusive long-term supply agreement for key driveline components. Additionally, SIFCO will provide selected assets and assistance to Dana to establish assembly capabilities for these systems. We are now responsible for all customer relationships, including marketing, sales, engineering and assembly. The addition of truck and bus steer axles to our product offering in South America effectively positions us as the leading full-line supplier of commercial vehicle drivelines — including front and rear axles, driveshafts and suspension systems — in South America. At current production levels, this agreement is expected to generate annual sales of approximately $350.

Dongfeng Dana Axle — In June 2011, we paid $124 to increase our equity investment in Dongfeng Dana Axle Co., Ltd. (DDAC) from 4% to 50%. Our investment in DDAC is being accounted for on the equity method. DDAC is the primary supplier of truck axles to Dongfeng Motor Co., Ltd. DDAC offers a complete range of truck axles in the Chinese market, including drive, steer, tandem, and hub-reduction axles for light-, medium-, and heavy-duty trucks, as well as buses.

Axles India — In June 2011, we acquired the axle drive head and final assembly business of our Axles India Limited equity affiliate for $13. This business is expected to contribute approximately $50 to our annual sales.

Sale of the Structural Products Business

We sold substantially all of our Structural Products business in 2010. Approximately $30 of the proceeds remained as a receivable at the end of 2010 including $15 related to an earn-out provision, $8 held in escrow and $5 of deferred proceeds. In the first quarter of 2011, we received the earn-out payment of $15. We expect payment of substantially all of the remaining $15 before the fourth quarter of 2011.

Consequences of Recent Events in Japan

The effects of the earthquake and tsunami in Japan in this year's first quarter did not significantly impact our operating capabilities. Our sealing manufacturing operation in Yamato, Japan suffered minimal physical damage and was capable of operating at full production capability shortly thereafter. The operational capabilities of certain of our customers, however, were adversely impacted directly or as a result of Japan-based supplier part shortages. The estimated reduction in our second quarter sales as a result of these Japan-related events was $50, most of which we expect to recover during the second half of this year as our effected customers ramp up production.

Other Significant Developments

In March 2011, we reached new three-year labor agreements, effective June 1, 2011, with the United Auto Workers and United Steel Workers that represent approximately 4,000 Dana employees at twenty facilities in the United States.

On July 27, 2011, we entered into definitive agreements to sell our equity interests in GETRAG Corporation and GETRAG Dana Holding GmbH for $136. As of June 30, 2011, our investment balances in the GETRAG entities totaled $77. We will continue to record our share of equity in earnings of the GETRAG entities through the closing date of the transactions. We anticipate the transactions will be completed by September 30, 2011.

Segments

We manage our operations globally through five operating segments. Our LVD, Power Technologies and Structures segments primarily support light vehicle original equipment manufacturers (OEMs) with products for light trucks, sport utility vehicles, crossover utility vehicles, vans and passenger cars. Substantially all of the Structures business was sold in the first quarter of 2010. The Commercial Vehicle and Off-Highway operating segments support the OEMs of on-highway commercial vehicles (primarily trucks and buses) and off-highway vehicles (primarily wheeled vehicles used in construction and agricultural applications).

The reporting of our operating segment results was reorganized in the first quarter of 2011 in line with changes in our management structure. Certain operations in South America were moved from the LVD segment to the Commercial Vehicle segment as the activities of these operations has become more closely aligned with the commercial vehicle market. The results of these segments have been retroactively adjusted to conform to the current reporting structure.

Trends in Our Markets

Global Vehicle Production (Full Year)

				Actual	
(Units in thousands)	Dana 2011 Outlook			2010	2009
North America					
Light Vehicle (Total)	12,600	to	13,000	11,912	8,550
Light Truck (excl. CUV/Minivan)	3,500	to	3,700	3,520	2,330
Medium Truck (Class 5-7)	120	to	150	116	97
Heavy Truck (Class 8)	260	to	270	152	116
Europe (including E. Europe)					
Light Vehicle	19,500	to	19,800	18,732	16,300
Medium/Heavy Truck	400	to	430	325	298
South America					
Light Vehicle	4,200	to	4,400	4,140	3,650
Medium/Heavy Truck	215	to	230	191	115
Asia Pacific					
Light Vehicle	33,000	to	34,000	34,662	28,500
Medium/Heavy Truck	1,400	to	1,550	1,437	1,089
Off-Highway – Global (year-over-year)					
Agricultural Equipment	+15	to	+20%	+2 to +5%	-35 to -40%
Construction Equipment	+25	to	+30%	+20 to +25%	-70 to -75%

North America

Light vehicle markets — With gradually improving economic conditions since the second half of 2009 production levels of light vehicles in North America have strengthened. First half 2011 production of around 6.4 million units is 8% higher than last year's first half. In the light truck pickup, van and sport utility vehicle (SUV) segment where more of our programs are focused, production also increased 8% over the first half of 2010. First half 2011 production levels are reflective in part of the higher unit sales – with both the overall light vehicle segment and the light truck pickup, van and SUV segment posting sales increases of around 10% over the first half of 2010. Light vehicle inventory levels have remained relatively constant with days supply of light vehicles being 55 and 54 for June 30, 2010 and 2011. Inventory levels in the light truck pickup, van and SUV segment have increased from 69 days supply at June 30, 2010 to 85 days at June 30, 2011.

On the economic front, a continued weakness in the housing market, low consumer sentiment, high unemployment levels and volatile fuel prices pose risks to vehicle production levels for the remainder of this year. At present, we believe an overall stable, moderately improving economy will minimize these risks and our outlook for full year 2011 light vehicle production levels increasing 6 to 9% over 2010 remains unchanged from our April 2011 outlook. Also unchanged is our outlook for the light truck pickup, van and SUV segment, where we are forecasting production to be in a range of relatively flat to up 5% over 2010.

Medium/heavy vehicle markets — As with the light vehicle market, medium/heavy truck production has steadily increased since 2009. Heavy-duty Class 8 truck production of about 114,000 units for the first half of 2011 is 62% higher than in the first half of 2010, while medium-duty Classes 5-7 production of around 79,000 vehicles in 2011 is up 38%.

Order levels for Class 8 trucks have been especially strong in the first half of 2011. As a result of increased second quarter 2011 order levels and the continued overall improvement in the economy, we have raised our 2011 outlook for the heavy-duty segment to expected production of 260,000 to 270,000 units from our previous outlook of 240,000 to 250,000 units, while our medium-duty production outlook for 2011 remains unchanged at 120,000 to 150,000 vehicles.

Markets Outside of North America

Light vehicle markets — An improving global economic environment has favorably impacted production levels in 2010 and 2011 in many of our major markets outside North America. On an aggregate basis, first half 2011 light vehicle production outside North America increased about 1% from the first half of 2010. Production levels in Europe increased about 6% over last year’s first half, while South America production was up about 8%, Asia Pacific production levels were adversely impacted by the earthquake in Japan, and consequently down about 3% from the first six months of last year. For the full year 2011, we’ve increased our outlook for Europe, now expecting production to be about 4 to 6% higher than 2010 levels. Our full year outlook for South America production being 1 to 6% higher than 2010 levels is unchanged from April 2011. As a consequence of the earthquake earlier this year in Japan, we now expect production levels in Asia Pacific to be down slightly from 2010 - close to the lower end of the range of our April 2011 outlook.

Medium/heavy vehicle markets — Outside of North America, improved economic conditions have contributed to stronger medium- and heavy-duty truck production since 2009. European medium/heavy production levels in this year’s first half rebounded significantly – about 60% higher than first half 2010. South America production continued to strengthen – up 4%, while production levels in Asia Pacific were about 20% lower. For the full year of 2011, our outlook is unchanged from April 2011 in South America where we expect production levels to be up 13 to 20% from 2010, and in Asia Pacific where we expect the relatively strong 2010 markets to continue with 2011 production levels ranging from relatively flat to 8% higher than those experienced last year. With continued strengthening in our markets in Europe, we’ve increased our previous outlook, now expecting production levels to be up 23 to 32% from 2010 production.

Off-Highway Markets

Our off-highway business has become an increasingly significant component of our total operations. Unlike our on-highway businesses, our off-highway business is largely concentrated outside of North America, with about 70% of its sales coming from Europe and 10% from South America and Asia Pacific combined. We serve several segments of the diverse off-highway market, including construction, agriculture, mining and material handling. Our largest markets are the European and North American construction and agricultural equipment segments — both of which experienced increased demand in 2010 and are experiencing continued strong demand in 2011. Based on continuing solid demand in this market, our full year 2011 production outlook is unchanged from April 2011 with demand levels expected to be up 15 to 20% in the agriculture segment and 25 to 30% in the construction segment.

Sales, Earnings and Cash Flow Outlook

	2011 Outlook	2010	2009
Sales	$ 7,600+	$ 6,109	$ 5,228
Adjusted EBITDA *	$ 765 to 785	$ 553	$ 326
Free Cash Flow **	$ 200+	$ 242	$ 109

* Adjusted EBITDA is a non-GAAP financial measure discussed under Segment EBITDA below. See Item 7 of our 2010 Form 10-K for a reconciliation of 2010 and 2009 adjusted EBITDA to income (loss) before income taxes.

** Free cash flow is a non-GAAP financial measure, which we have defined as cash provided by (used in) operating activities excluding any bankruptcy claim-related payments, 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. See Item 7 of our 2010 Form 10-K for a reconciliation of 2010 and 2009 free cash flow to net cash flows provided by operating activities.

With lower sales in 2009 and gradual improvement in 2010, we focused on aggressively right-sizing our costs and improving the profitability of our customer programs. We also tightened our capital spending and reduced working capital levels. As sales began improving in 2010, we resisted bringing back much of the cost structure that was eliminated in 2008 and 2009. The combination of stronger sales levels, cost reductions and improved pricing led to improved profitability and cash flow in 2010. While we are continuing to make additional cost improvements and restructure the operations in 2011, we are also pursuing the growth initiatives described in the Business Strategy section above.

With increased demand levels in certain of our markets and stronger international currencies, we currently expect full year sales to exceed $7,600 – up from our April 2011 outlook of more than $7,300. Although there is some uncertainty associated with fuel prices and light truck mix, at present, we do not expect significant impact on many of the key vehicles we supply. On the cost front, we are closely monitoring the effects of rising steel and other commodity prices. A substantial portion of increased commodity cost is recoverable through contractual relationships with customers or pricing actions, although there is a time lag associated with such recoveries. Through the first half of 2011, higher commodity costs out paced our material recovery. With commodity prices expected to stabilize at current levels or improve during the second half of the year, we expect to recover some of the first half profit reduction attributable to higher commodity costs. Based primarily on the higher sales levels and improved outlook for commodity costs, we’ve increased our Adjusted EBITDA guidance to $765 to $785 from our April outlook of $755 to $775.

A significant element of this year’s cash flow outlook is expected capital spending. Our current outlook of $185 to $225 is reduced from our April outlook of $200 to $250. As such, we’ve increased our full year 2011 free cash flow expectation to be more than $200, up from our April outlook of more than $175.

Consolidated Results of Operations

Summary Consolidated Results of Operations (Second Quarter, 2011 versus 2010)

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Increase (Decrease)
Net sales	$ 1,933	$ 1,526	$ 407
Cost of sales	1,700	1,357	343
Gross margin	233	169	64
Selling, general and administrative expenses	107	91	16
Amortization of intangibles	21	16	5
Restructuring charges, net	11	31	(20)
Other income, net	20	12	8
Income before interest and income taxes	$ 114	$ 43	$ 71
Net income attributable to the parent company	$ 68	$ 9	$ 59

Sales — The following table shows changes in our sales by geographic region for the quarters ended June 30, 2011 and 2010.

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Increase/ (Decrease)	Amount of Change Due To: Currency Effects	Amount of Change Due To: Acquisitions and Divestitures	Amount of Change Due To: Organic Change
North America	$ 835	$ 752	$ 83	$ 4	$ -	$ 79
Europe	558	395	163	65		98
South America	355	204	151	19	101	31
Asia Pacific	185	175	10	15		(5)
Total	$ 1,933	$ 1,526	$ 407	$ 103	$ 101	$ 203

Second quarter sales increased $407 in 2011 as compared to 2010. The overall strengthening of several international currencies against the U.S. dollar accounted for $103 of the increase. Acquisition and divestiture activity contributed $101 of the sales increase, principally due to the strategic agreement with SIFCO that was completed in February 2011. The $203 of organic growth — the change in sales attributable primarily to market volume - pricing and mix, is an increase of 13% over second quarter 2010 sales.

The increase in sales in North America during 2011, adjusted for the effects of currency, totaled $79 — an 11% increase on 2010 sales. The increase was largely due to the increased OEM production levels in the medium/heavy truck markets which were more than 55% higher in this year's second quarter than the same period of a year ago. Strong demand in the off-highway sector also contributed, as 2011 second quarter sales were up more than 20% from last year. Light duty production levels in 2011 were down about 1%, with production in the light pickup, van and SUV segment — the sector most important to us — being up about 1%.

Excluding currency effects, our second quarter 2011 sales in Europe were 25% higher than in 2010. Our businesses in Europe benefited from medium/heavy vehicle production levels, which were more than 40% higher than last year's second quarter, and modestly stronger light vehicle production. Higher demand levels in the off-highway markets drove a sales increase of more than 50%.

In South America, sales benefitted by $109 from the SIFCO agreement, more than offsetting the $8 reported in 2010 by the divested Structural Products business in Venezuela. Exclusive of these effects and currency movement, 2011 sales in South America were up 15% versus the second quarter of 2010, primarily as a result of stronger production levels. The organic sales reduction of 3% in Asia Pacific is due principally to adverse effects associated with the earthquake in Japan earlier this year.

Cost of sales and gross margin — Cost of sales decreased to 87.9% of sales in 2011 from 88.9% of sales in 2010. Higher production levels contributed to improved absorption of fixed costs. Additionally, manufacturing costs benefited from our restructuring initiatives and continued cost reduction efforts. Higher material commodity prices increased 2011 cost of sales. However, a significant portion of this increase was offset by reductions in other material costs. Higher sales levels, net cost reductions and pricing improvement combined to improve gross margin to $233 (12.1% of sales) in 2011 from $169 (11.1% of sales) in 2010.

Selling, general and administrative expenses (SG&A) — SG&A expenses in 2011 were $107 (5.5% of sales) as compared to $91 (6.0% of sales) in 2010. The increased level of expenses is primarily attributable to costs associated with our sales growth as we're continuing to minimize wherever possible bringing back support infrastructure that was eliminated in recent years' cost reduction initiatives.

Restructuring charges — Restructuring charges in both 2011 and 2010 were primarily employee separation costs and exit costs associated with workforce reduction actions and facility closures.

Other income, net — Other income was $20 for the quarter ended June 30, 2011 and $12 for the corresponding 2010 period. Interest income was $6 in 2011 and $7 in 2010. An asbestos-related recovery of $6 from an insurance company going through liquidation proceedings provided additional income in 2011.

Interest expense — Interest expense was $20 in the second quarter of both 2011 and 2010, as the benefit from lower debt levels was offset by increased rates associated with the refinancing undertaken earlier in 2011 which secured fixed rates for eight to ten years on a significant portion of our debt.

Income tax expense — In the U.S. and certain other countries, our recent history of operating losses does not allow us to satisfy the "more likely than not" criterion for recognition of deferred tax assets. Consequently, there is no income tax benefit recognized on the pre-tax results in these jurisdictions as valuation allowance adjustments offset the associated tax benefit or expense. The income tax expense was $31 and $17 for the quarters ended June 30, 2011 and 2010. The income tax rate varies from the U.S. federal statutory rate of 35% primarily due to the effects of valuation allowances in several countries (including the U.S.), nondeductible expenses, different statutory rates outside the U.S. and withholding taxes as discussed in Note 15 to the financial statements in Item 1 of Part I.

Summary Consolidated Results of Operations (Year-to-Date, 2011 versus 2010)

	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	Increase/ (Decrease)
Net sales	$ 3,733	$ 3,034	$ 699
Cost of sales	3,285	2,725	560
Gross margin	448	309	139
Selling, general and administrative expenses	206	193	13
Amortization of intangibles	38	31	7
Restructuring charges, net	41	50	(9)
Other expense, net	(28)	(1)	(27)
Income before interest and income taxes	$ 135	$ 34	$ 101
Net income (loss) attributable to the parent company	$ 38	$ (22)	$ 60

Sales — The following table shows changes in our sales by geographic region for the six months ended June 30, 2011 and 2010.

	Six Months Ended June 30,		Increase/	Amount of Change Due To		
	2011	2010	(Decrease)	Currency Effects	Acquisitions and Divestitures	Organic Change
North America	$ 1,642	$ 1,508	$ 134	$ 8	$ (83)	$ 209
Europe	1,082	764	318	70		248
South America	631	416	215	31	122	62
Asia Pacific	378	346	32	26	(8)	14
Total	$ 3,733	$ 3,034	$ 699	$ 135	$ 31	$ 533

First half sales increased $699 in 2011 as compared to 2010. The overall strengthening of several international currencies against the U.S. dollar accounted for $135 of the increase. Acquisitions and divestitures added $31 to sales, with the strategic agreement with SIFCO that was completed in February 2011 increasing sales by $173 and the sale of substantially all of our Structural Products business in March 2010 reducing sales by $142. The $533 of organic growth — the change in sales attributable primarily to market volume, pricing and mix — represents an increase of 18% over our 2010 sales.

Increased sales in North America during 2011, adjusted for the effects of currency and divestitures, totaled $209 — a 14% increase on 2010 sales. The increase was largely due to the increased OEM production levels in the light vehicle and medium/heavy truck markets. Light duty production levels were 8% higher in 2011 with production in the light pickup, van and SUV segment — the sector most important to us — also being up around 8%. In the medium/heavy truck markets, production was up more than 50%. In the off-highway sector, sales increased 20%, primarily due to stronger 2011 demand levels.

Excluding currency effects, our first half 2011 sales in Europe were 32% higher than in 2010. Our businesses in Europe benefited from improved medium/heavy vehicle production levels, which were more than 60% higher than last year's first half, and stronger light vehicle production which was about 6% stronger. Higher demand levels in the off-highway markets drove a sales increase of more than 50%.

In South America, sales benefitted by $173 from the SIFCO agreement, significantly more than the $51 reported in 2010 by the divested Structural Products business. Exclusive of these effects and currency movement, 2011 sales in South America were up 15% versus the first half of 2010, primarily as a result of stronger production levels. The organic growth in sales of 4% in Asia Pacific is reflective of tempered production levels attributed to the effects from the earthquake in Japan earlier this year.

Cost of sales and gross margin — Cost of sales decreased to 88.0% of sales in 2011 from 89.8% of sales in 2010. Higher production levels contributed to improved absorption of fixed costs. Additionally, manufacturing costs benefited from our restructuring initiatives and continued cost reduction efforts. Higher material commodity prices increased 2011 cost of sales. However, a significant portion of this increase was offset by reductions in other material costs. Higher sales levels, net cost reductions and pricing improvement combined to improve gross margin to $448 (12.0% of sales) in 2011 from $309 (10.2% of sales) in 2010.

Selling, general and administrative expenses (SG&A) — SG&A expenses in 2011 were $206 (5.5% of sales) as compared to $193 (6.4% of sales) in 2010. The increased level of expenses is primarily attributable to higher sales levels and certain strategic growth initiatives.

Restructuring charges — Restructuring charges in both 2011 and 2010 were primarily employee separation costs and exit costs associated with workforce reduction actions and facility closures. In the first half of last year, we recognized separation costs associated with the planned closure of our Kalamazoo, Michigan and Yennora, Australia operations. We also implemented workforce reduction actions primarily in our operations in Europe and Venezuela, while continuing to implement previously initiated actions. During March 2011, we entered into an agreement to settle the lease obligation associated with our Yennora facility. The cost associated with this settlement approximated $20 and was recognized in the first quarter of 2011. Other 2011 restructuring costs relate primarily to completion of previously announced actions.

Other expense, net — Other expense was $28 for the first half of 2011 and $1 for the corresponding 2010 period. First half 2011 results include a charge of $53 for write-off of unamortized original issue discount and debt issuance costs associated with the refinancing and restructuring of certain debt facilities, as more fully described in Note 11 of the consolidated financial statements in Item 1 of Part I. Partially offsetting this charge was interest income of $13 and $6 from settlement of an asbestos-related claim with an insurance company in liquidation proceedings. Other expense in 2010 was due principally to net foreign exchange losses of $10, a net loss on extinguishment of debt of $4 and a loss on the divestiture of the Structural Products business of $5, with interest income of $13 and other items providing a partial offset.

Interest expense — Interest expense in 2011 was $39 as compared to $46 in 2010, primarily as a result of debt repurchases and repayments over the past year.

Income tax expense — In the U.S. and certain other countries, our recent history of operating losses does not allow us to satisfy the “more likely than not” criterion for recognition of deferred tax assets. Consequently, there is no income tax benefit recognized on the pre-tax results in these jurisdictions as valuation allowance adjustments offset the associated tax benefit or expense. The income tax was expense of $62 and $14 for the six months ended June 30, 2011 and 2010. The income tax rate varies from the U.S. federal statutory rate of 35% primarily due to the effects of valuation allowances in several countries (including the U.S.), nondeductible expenses, different statutory rates outside the U.S. and withholding taxes as discussed in Note 15 to the financial statements in Item 1 of Part I.

Segment Results of Operations

Segment Sales

Three Months Ended June 30,	2011	2010	Increase/ (Decrease)	Amount of Change Due To: Currency Effects	Acquisitions and Divestitures	Organic Change
LVD	$ 654	$ 621	$ 33	$ 22	$ -	$ 11
Power Technologies	269	234	35	19		16
Commercial Vehicle	583	364	219	25	109	85
Off-Highway	414	287	127	37		90
Structures	13	18	(5)		(8)	3
Other		2	(2)			(2)
Total	$ 1,933	$ 1,526	$ 407	$ 103	$ 101	$ 203
Six Months Ended June 30,						
LVD	$ 1,327	$ 1,169	$ 158	$ 36	$ -	$ 122
Power Technologies	536	462	74	24		50
Commercial Vehicle	1,058	695	363	36	173	154
Off-Highway	787	544	243	39		204
Structures	24	162	(138)		(142)	4
Other	1	2	(1)			(1)
Total	$ 3,733	$ 3,034	$ 699	$ 135	$ 31	$ 533

Our LVD and Power Technologies segments principally serve the light vehicle markets. Exclusive of currency effects, LVD and Power Technologies sales for the three months ended June 30, 2011 were up 2% and 7% over the corresponding period of 2010. For the six months ended June 30, 2011, LVD and Power Technologies sales were 10% and 11% higher than the same period of 2010. The higher sales were due primarily to increased light vehicle unit production levels in 2011 across all regions except Asia Pacific.

Commercial Vehicle sales in 2011 benefited from the inclusion of sales associated with the strategic agreement with SIFCO completed at the beginning of February 2011. After adjusting for SIFCO and the effects of currency movements, second quarter 2011 sales in this segment were up 23% over the same period in 2010, with six-month 2011 sales up 22% from the first half of 2010. This segment is heavily concentrated in the North American market where first half 2011 medium/heavy truck production levels were more than 50% higher than the same period of last year.

Sales for the three months ended June 30, 2011 in our Off-Highway segment were 31% higher than the second quarter of 2010, with six month 2011 sales up 38% from 2010, principally due to stronger 2011 demand in the construction, agriculture and other segments of this market.

We completed the sale of a substantial portion of the Structural Products business in the first quarter of 2010, while the sale of the Structures business in Venezuela occurred in the fourth quarter of 2010. The continuing sales in 2011 relate to the retained Longview, Texas operation where the existing customer program is scheduled to expire in mid-2012.

Segment EBITDA

Segment EBITDA *	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Three Months Ended June 30, Increase/ (Decrease)	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	Six Months Ended June 30, Increase/ (Decrease)
Light Vehicle Driveline	$ 60	$ 64	$ (4)	$ 126	$ 106	$ 20
Power Technologies	37	35	2	77	62	15
Commercial Vehicle	55	39	16	98	63	35
Off-Highway	51	25	26	92	46	46
Structures	1	(3)	4	1	8	(7)
Total Segment EBITDA	204	160	44	394	285	109
Corporate expense and other items, net	(3)	(6)	3	(12)	(23)	11
Adjusted EBITDA *	201	154	47	382	262	120
Depreciation and amortization	(79)	(80)	1	(155)	(161)	6
Restructuring	(11)	(31)	20	(41)	(50)	9
Interest expense, net	(14)	(13)	(1)	(26)	(33)	7
Other **	(3)	(7)	4	(64)	(30)	(34)
Income (loss) before income taxes	$ 94	$ 23	$ 71	$ 96	$ (12)	$ 108

* See discussion of non-GAAP financial measures below.

** Other includes loss on extinguishment of debt, strategic transaction expenses, stock compensation expense, loss on sales of assets and foreign exchange costs and benefits. See Note 17 to the consolidated financial statements in Item 1 of Part I for additional details.

Non-GAAP financial measures — The table above refers to adjusted EBITDA, a non-GAAP financial measure which we have defined as earnings before interest, taxes, depreciation, amortization, non-cash equity grant expense, restructuring expense and other nonrecurring items (gain/loss on debt extinguishment or divestitures, impairment, etc.). The most significant impact on Dana's ongoing results of operations as a result of applying fresh start accounting following our emergence from bankruptcy was higher depreciation and amortization. By using adjusted EBITDA, a performance measure which excludes depreciation and amortization, the comparability of results is enhanced. Management also believes that adjusted EBITDA is an important measure since the financial covenants in our debt agreements are based, in part, on adjusted EBITDA. Adjusted EBITDA should not be considered a substitute for income (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. (For a detailed reconciliation of adjusted EBITDA to income (loss) before income taxes see Note 17 to the consolidated financial statements in Item 1 of Part I.)

LVD segment EBITDA for the second quarter of 2011 was $60 as compared to $64 in the same period of 2010. Modestly stronger production volumes improved segment EBITDA by about $3 with additional benefit coming from material cost recovery and net cost reductions. The earnings improvement from these actions was more than offset by certain pricing actions which favorably impacted last year's second quarter. For the first six months of 2011, segment EBITDA of $126 improved $20 over the same period of 2010. Six-month EBITDA as a percent of sales improved to 9.5% of sales in 2011 from 9.1% in 2010. Higher sales volumes, the result of stronger market production levels, increased earnings by about $24 with additional earnings improvement coming from cost reductions and material recovery. In the first half of 2010, certain pricing actions favorably impacted 2010 that did not continue into 2011, thereby offsetting the profit improvements in 2011 from higher sales levels and cost reductions.

In the Power Technologies segment, EBITDA of $37 in the second quarter of 2011 improved $2 from 2010. Slightly higher sales levels contributed $5 to the earnings improvement, while higher warranty cost reduced earnings by $4. Segment EBITDA for the first six months of 2011 was $77, an increase of $15 from 2010, pushing first-half EBITDA as a percent of sales from 13.4% in 2010 to 14.4% in 2011. Higher sales volumes from increased production levels contributed about $16 of the six-month increase. Cost reduction and other benefits were more than offset by higher warranty cost of $4.

Commercial Vehicle segment EBITDA for the second quarter and first six months of 2011 was $55 and $98, increases of $16 and $35 over the comparable 2010 periods. Six-month segment EBITDA as a percent of sales in 2011 was 9.3%, up slightly from 9.1% in 2010. Stronger production levels in this segment's markets added $5 and $13 to the increased second quarter and six-month segment EBITDA, with the SIFCO transaction adding another $10 and $16. For the comparative three and six-months periods, pricing and cost reduction actions more than offset higher material commodity costs.

In our Off-Highway segment, second quarter 2011 EBITDA of $51 was up $26 from the corresponding period in 2010. Segment EBITDA of $92 for the first half of 2011 was up $46 from 2010. Improving market conditions in this business drove stronger sales volume which increased year-over-year second quarter segment EBITDA by about $13 and six-month segment EBITDA by about $30. The additional improvement in earnings came principally from pricing actions and cost reductions. With the higher sales and other benefits, segment EBITDA margin improved to 11.7% for the first six months of 2011 from 8.5% last year.

The improvement in second quarter segment EBITDA in Structures of $4 was due primarily to pricing, with higher sales levels providing additional benefit. The six-month year over year reduction in Segment EBITDA is due principally to the sale of substantially all of this business in the first quarter 2010.

Liquidity

Amended Term Facility refinancing and Revolving Facility amendment — In January 2011, we completed an offering of senior unsecured notes (the Senior Notes) which generated net proceeds of $733. These proceeds, together with available cash of $127, were used to repay in full all amounts then outstanding under our Amended Term Facility. The aggregate principal amount of the Senior Notes is $750, with $400 at a fixed interest rate of 6.50% maturing in 2019 and $350 at a fixed rate of 6.75% maturing in 2021. In connection with this refinancing, we amended our Revolving Credit and Guaranty Agreement (the Revolving Facility) allowing for the issuance of the Senior Notes.

The Revolving Facility was amended in February (the New Revolving Facility), extending the maturity to five years and reducing the aggregate principal amount of the facility from $650 to $500. With the issuance of the Senior Notes and the New Revolving Facility, we have additional flexibility to make acquisitions and other investments, incur additional indebtedness and pay dividends and distributions as long as certain terms and conditions are met. The maintenance-based financial covenants in our prior agreements were replaced with incurrence-based financial covenants. With these actions, we have reduced our overall debt, secured fixed interest rates over the next eight to ten years and increased our financial flexibility by freeing up debt capacity for growth. See Note 11 of our consolidated financial statements in Item 1 of Part I for additional details.

During March 2011, we replaced our existing European receivables loan agreements and established a new five-year €75 ($109 at the June 30, 2011 exchange rate) receivables securitization program. Availability under the program is subject to the existence of adequate levels of supporting accounts receivable.

Covenants — At June 30, 2011, we were in compliance with the debt covenants under our agreements.

Global liquidity — Our global liquidity at June 30, 2011 was as follows:

Cash and cash equivalents	$	718
Less: Deposits supporting obligations		(38)
Available cash		680
Additional cash availability from lines of credit in the U.S. and Europe		446
Marketable securities		58
Total global liquidity	$	1,184

As of June 30, 2011, the consolidated cash balance includes $197 located in the U.S. In addition, our cash balance at June 30, 2011 includes $64 held by less-than-wholly-owned subsidiaries where our access may be restricted. Our ability to efficiently access cash balances in certain subsidiaries and foreign jurisdictions is subject to local regulatory, statutory or other requirements, as well as the business needs of the operations. Marketable securities are included as a component of global liquidity as these investments can be readily liquidated at our discretion.

Following our issuance of the Senior Notes in January of 2011, the principal sources of liquidity available for our future cash requirements are expected to be (i) cash flows from operations, (ii) cash and cash equivalents on hand, (iii) proceeds related to our trade receivable securitization and financing programs and (iv) borrowings from the New Revolving Facility. We believe that our overall liquidity and operating cash flow will be sufficient to meet our anticipated cash requirements for capital expenditures, working capital, debt obligations and other commitments during the next twelve months. While uncertainty surrounding the current economic environment could adversely impact our business, based on our current financial position, we believe it is unlikely that any such effects would preclude us from maintaining sufficient liquidity.

At June 30, 2011, there was $99 of availability, but no borrowings, under our new European trade receivable securitization program based on the effective borrowing base. At June 30, 2011, we had no borrowings under the New Revolving Facility but we had utilized $85 for letters of credit. Based on our borrowing base collateral, we had availability as of that date under the New Revolving Facility of $347 after deducting the outstanding letters of credit. As a result, we had aggregate additional borrowing availability of $446 under these credit facilities.

Cash Flow

	Six Months Ended June 30,	
	2011	2010
Cash provided by (used for) changes in working capital	$ (172)	$ 33
Reorganization-related tax claim payment		(75)
Other cash provided by operations	252	164
Net cash flows provided by operating activities	80	122
Net cash provided by (used in) investing activities	(354)	89
Net cash flows used in financing activities	(134)	(91)
Net increase (decrease) in cash and cash equivalents	$ (408)	$ 120

Operating activities — The table above summarizes our consolidated statement of cash flows. Exclusive of working capital and a reorganization-related tax claim payment in 2010, other cash provided by operations was $252 during 2011 compared with $164 during 2010 due primarily to an increased level of operating earnings.

Working capital used cash of $172 in the first half of 2011, as compared to generating cash of $33 in the same period of 2010. Higher sales levels in 2011 as compared to 2010 resulted in increased levels of receivables and inventory. Cash of $300 was used in 2011 to finance increased receivables, while cash of $152 was required to fund increased receivables in the first half of 2010. We used cash of $83 to fund increased inventory levels in the first half of 2011, compared to a use of $43 in last year's first half. Partially offsetting the cash use for higher receivables and inventory in the first half of both 2011 and 2010 was cash provided by increases in accounts payable and other net liabilities of $211 in 2011 and $228 in 2010. Partially offsetting the increased accounts payable and other liabilities associated with higher sales in the first half of 2011 was a payment of $25 for satisfaction of an accrued warranty settlement and payments of liabilities accrued at the end of 2010 under our incentive compensation programs.

Investing activities — In the first half of 2011, we used cash of $150 in connection with our strategic agreement with SIFCO, $124 to increase our ownership in DDAC and $13 to acquire the axle drive head and final assembly business of Axles India. Proceeds from the sale of the Structural Products business provided cash of $113 in the first half of 2010, with $15 of additional proceeds being received in the first half of 2011 under the earn out provisions of the sale agreement. Expenditures for property, plant and equipment in 2011 were $71, as compared to $26 in 2010.

Financing activities — A cash use of $867 was incurred in the first half 2011 in connection with the refinancing of term debt. In connection with the refinancing, we received proceeds from the issuance of new Senior Notes of $750. Cash of $25 was used for issuance costs associated with the 2011 term debt refinancing and restructuring of other financing arrangements. The $91 use of cash in 2010 for financing activities was principally due to repaying term debt with proceeds from the sale of the Structures business.

Contractual Obligations

Preferred dividends accrued but not paid were $7 and $8 at June 30, 2011 and December 31, 2010.

In March 2011, we entered into an agreement to settle the remaining lease obligations relating to our Yennora, Australia facility which is scheduled to close in 2011. In connection with the settlement, we recognized $20 of lease termination costs during the first quarter of 2011. The agreement reduces future lease obligations of $46 that were included in our 2010 Form 10-K.

There have been no other material changes at June 30, 2011 in our contractual obligations from those reported or estimated in the disclosures in Item 7 of our 2010 Form 10-K.

Contingencies

For a summary of litigation and other contingencies, see Note 13 to our consolidated financial statements in Item 1 of Part I. We believe that any liabilities beyond the amounts already accrued that may result from these contingencies will not have a material adverse effect on our liquidity, financial condition or results of operations.

Critical Accounting Estimates

The preparation of our consolidated financial statements in accordance with U.S. GAAP requires us to use estimates and make judgments and assumptions about future events that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. There have been no material changes in the application of our significant accounting policies or critical accounting estimates as discussed in Note 1 to our consolidated financial statements in Item 7 of our 2010 Form 10-K and Item 1 of Part I of this Form 10-Q.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

There have been no material changes to the market risk exposures related to changes in interest rates, commodity and foreign currency exchange risk as discussed in Item 7A of our 2010 Form 10-K.

Item 4. *Controls and Procedures*

Disclosure controls and procedures — We maintain disclosure controls and procedures that are designed to ensure that the information disclosed in the reports we file with the SEC under the Securities Exchange Act of 1934, as amended (Exchange Act), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow timely decisions regarding required disclosure.

Our management, with participation of our CEO and CFO, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Report on Form 10-Q. Our CEO and CFO have concluded that, as of the end of the period covered by this Report on Form 10-Q, our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective.

Changes in internal control over financial reporting — There was no change in our internal control over financial reporting that occurred during our fiscal quarter ended June 30, 2011 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

CEO and CFO certifications — The Certifications of our CEO and CFO that are attached to this report as Exhibits 31.1 and 31.2 include information about our disclosure controls and procedures and internal control over financial reporting. These Certifications should be read in conjunction with the information contained in this Item 4 and in Item 9A of our 2010 Form 10-K for a more complete understanding of the matters covered by the Certifications.

PART II – OTHER INFORMATION

Item 1. *Legal Proceedings*

As discussed in Note 13 to our consolidated financial statements in Item 1 of Part I, we are a party to various pending judicial and administrative proceedings that arose in the ordinary course of business.

After reviewing the currently pending lawsuits and proceedings (including the probable outcomes, reasonably anticipated costs and expenses, availability and limits of our insurance coverage and our established reserves for uninsured liabilities), we believe that the liabilities that may result from these proceedings beyond the amounts already accrued will not have a material adverse effect on our liquidity, financial condition or results of operations.

Item 1A. *Risk Factors*

There have been no material changes in our risk factors disclosed in Item 1A of our 2010 Form 10-K.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

The following table presents information with respect to repurchases of common stock made by us during the quarter ended June 30, 2011. These shares were delivered to us by employees as payment for withholding taxes due upon the distribution of stock awards.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs
4/1/11 - 4/30/11	48,714	$ 17.15	-	-
5/1/11 - 5/31/11	3,080	17.93	-	-
6/1/11 - 6/30/11	2,157	16.85	-	-

Item 5. ***Other Information***

As previously reported in the Current Report on Form 8-K filed on May 6, 2011, more than a majority of the shares voting at the 2011 Annual Meeting of Shareholders on Proposal 3 (the non-binding advisory vote on the frequency of the advisory vote on executive compensation) voted for Dana to hold such votes on an annual basis. In light of the voting results and other factors, our Board of Directors determined that we will hold an annual advisory vote on executive compensation until the next non-binding advisory vote on the frequency of stockholder votes on executive compensation. The next required non-binding advisory vote regarding the frequency interval will be in six years, although an earlier vote regarding such frequency interval may be held at the Board's discretion.

On July 26, 2011, we informed Mark E. Wallace, Executive Vice President and President of On-Highway Technologies, by letter of our intention to provide him a Retention Award of one year's salary of $512,325 (the "Award"). The Award will be delivered to Mr. Wallace in restricted stock units ("RSUs") cliff vesting on July 26, 2013. In order to be eligible to receive the Award, Mr. Wallace must remain employed with us and in good standing on July 26, 2013. In the event Mr. Wallace voluntarily terminates his employment prior to July 26, 2013, the RSUs will be forfeited. In the event he is involuntarily terminated without cause, prior to July 26, 2013, he will be entitled to pro-rata vesting based on full months worked between July 26, 2011 and July 26, 2013.

The preceding summary of the letter is qualified in its entirety by reference to the text of the letter. The letter is attached as Exhibit 10.2 hereto and the terms thereof are incorporated by reference.

As a condition to receiving the Award described above, Dana and Mr. Wallace executed Dana's form of Proprietary Interest Protection and Non-Solicitation Agreement dated July 26, 2011 (the "Agreement"). The Agreement provides that Mr. Wallace will not disclose any confidential information or trade secrets of Dana. Further, he will assign any intellectual property rights to Dana. Finally, Mr. Wallace will not compete with Dana or solicit any Dana employees for a period of 12 months after his employment with Dana terminates.

The preceding summary of the Agreement is qualified in its entirety by reference to the text of the Agreement. The Agreement is attached as Exhibit 10.3 to this Quarterly Report and the terms thereof are incorporated by reference.

In connection with his recent promotion, Mr. Wallace's annual salary was increased to $552,000 from $512,523 effective August 1, 2011.

Item 6. ***Exhibits***

The Exhibits listed in the "Exhibit Index" are filed or furnished with this report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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 HOLDING CORPORATION

Date: July 28, 2011

By: /s/ James A. Yost
James A. Yost
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
31.1	Rule 13a-14(a)/15d-14(a) Certification by Chief Executive Officer
31.2	Rule 13a-14(a)/15d-14(a) Certification by Chief Financial Officer
32	Section 1350 Certifications (furnished only)
10.1**	Executive Employment Agreement dated April 18, 2011 by and between Roger Wood and Dana Holding Corporation
10.2**	Letter to Mark E. Wallace dated July 26, 2011
10.3**	Form of Proprietary Interest Protection and Non-Solicitation Agreement
101	101.INS XBRL Instance Document*
	101.SCH XBRL Schema Document*
	101.CAL XBRL Calculation Linkbase Document*
	101.LAB XBRL Labels Linkbase Document*
	101.PRE XBRL Presentation Linkbase Document*
	101.DEF XBRL Definition Linkbase Document*

* XBRL (Extensible Business Reporting Language) information is furnished and not filed, is not a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934 and otherwise is not subject to liability under these sections.

** Management contract or compensatory plan

EXHIBIT 10.1

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement ("Agreement") is entered into this April 18, 2011 by and between Dana Holding Corporation, a Delaware corporation, with its principal executive office at 3939 Technology Drive, Maumee, Ohio (the "Company"), and Roger Wood, an individual ("Executive"), effective April 18, 2011 (the "Effective Date").

RECITALS

A. The Company desires to employ Executive as President and Chief Executive Officer of the Company.

B. The Company and Executive desire to enter into this Agreement as to the terms of Executive's employment by the Company to be effective as of April 18, 2011.

Therefore, in consideration of the promises and respective covenants and agreements of the parties herein contained, and intending to be legally bound, the parties hereto agree as follows:

1. **Employment.** The Company and Executive hereby agree that as of the Effective Date Executive shall be employed by the Company on the terms set forth in this Agreement.

2. **Term.** The employment of Executive by the Company under the terms of this Agreement shall commence on the Effective Date and shall continue in effect for an initial three (3) year period. Upon the second anniversary of the Effective Date, and on each successive anniversary, the period shall be automatically extended by one (1) year (so that on every anniversary of the Effective Date thereafter the remaining term shall be for two (2) years), unless either party gives notice to the other party at least ninety (90) days prior to next anniversary of the Effective Date that the employment period shall expire at the end of such two (2)-year period without extension (the initial and each successive employment period being the "Term"), unless earlier terminated as set forth in Section 6 of this Agreement. Executive's employment after expiration of the Term shall be at-will and not governed by this Agreement (other than by provisions that by their terms survive such expiration).

3. **Position and Duties.** Executive shall serve as President and Chief Executive Officer of the Company, reporting to the Board of Directors of the Company ("Board"), and shall have such responsibilities and authority commensurate with such position as may from time to time be assigned to Executive by the Board. Executive shall devote substantially all his working time and efforts to the business and affairs of the Company. However, Executive may devote reasonable time to supervision of his personal investments and professional, charitable, educational, religious and other similar activities, and speaking engagements, provided such activities are not competitive with the Company and do not interfere with Executive's discharge of his duties to the Company. Executive may serve on the board of directors of any company or organization with the Board's prior written consent.

4. **Directorship Agreement.** As soon as reasonably possible after the Effective Date, Executive shall be appointed as a member of the Board. While serving as a Director, the Board shall re-nominate Executive from term to term while acting as President and Chief Executive Officer. Upon Executive's ceasing to be President and Chief Executive Officer, Executive shall immediately resign as a Director.

5. **Compensation and Related Matters.** During the Term, Executive shall be entitled to the following amounts and benefits:

5.1 **Salary.** The Company shall pay to Executive a salary of $950,000 per year (the "Base Salary"), which rate may be increased (but not decreased, except for across-the-board decreases applicable with like proportionate effect to other senior executives of the Company) from time to time in accordance with normal business practices of the Company, at the discretion of the Board. The Base Salary shall be payable by the Company in accordance with the normal payroll practices of the Company then in effect. Any increase or decrease in the Base Salary amount shall thereafter be Executive's "Base Salary" for all purposes hereunder.

5.2 **Bonus.** Executive shall be eligible for an annual bonus with a target amount equal to 115% of Executive's Base Salary pursuant to the Company's 2008 Omnibus Incentive Plan, or any successor thereto ("Plan"). Executive's actual bonus amount shall be based on the achievement of performance measures set by the Board of Directors. For 2011, the Executive shall be eligible to earn a full (non-prorated) bonus. Further, the Company guarantees that Executive's 2011 bonus shall be no less than 75% of his targeted amount.

5.3 **Annual Long Term Incentive Program.** Executive shall be eligible for annual awards pursuant to the Company's long term incentive program under the Plan, with a target equal to 400% of base salary, commencing with the 2011 fiscal year. Executive will participate in the 2011 Long Term Incentive Program on the same basis as other senior executives (non-prorated).

5.4 **Restricted Stock Units.** As an inducement, on the Effective Date Executive shall be awarded 300,000 restricted stock units under the Plan (the "Restricted Stock Units"), vesting 50% on the first anniversary of the Effective Date and 50% on the second anniversary of the Effective Date, provided that Executive remains continuously employed by the Company until such dates for the Restricted Stock Units to so vest. The Restricted Stock Units shall be paid to Executive in shares of Company common stock within two and one-half (2-1/2) months after the date of vesting. Executive shall be entitled to payment of dividend equivalents on the Restricted Stock Units, subject to vesting above, as and when dividends are paid to stockholders on the Company's common stock, which dividend equivalents shall be converted into further restricted stock units (based on the Market Value Per Share on the date that dividends are paid to the Company's stockholders) and paid, to the extent becoming vested, together with the payment of the Restricted Stock Units above. The Restricted Stock Units shall be documented in accordance with the Company's standard form of Restricted Stock Unit Award Agreement to be entered into between the Company and Executive that otherwise is consistent with the terms hereof. The Restricted Stock Units shall vest and become immediately payable upon the first to occur of (i) an involuntary termination of Executive's employment by the Company without Cause (and not due to Disability) or Executive's voluntary termination for Good Reason or (ii) a Change in Control of the Company. In the event that Executive voluntarily terminates his employment (other than for Good Reason) or the Company involuntary terminates his employment for Cause after payment of the Restricted Stock Units and prior to the third anniversary of the Effective Date, he shall within ten (10) days thereafter repay the Company an amount equal to the product of (A) the product of the number of shares constituting all of the Restricted Stock Units previously paid to Executive (including any dividend equivalents thereon) multiplied by the Market Value Per Share on the date of termination multiplied by (B) the ratio of the number of days from the date of termination until such third anniversary to 1095 days (the "RSU Repayment Amount"). In the event of a Change in Control of the Company, Executive shall have no obligation to repay the RSU Repayment Amount upon a voluntary termination of his employment for any reason thereafter.

5.5 **True-Up Award.** As a further inducement, the Executive shall be eligible to receive a True-Up Award in two installments effective April 1, 2012 and on April 1, 2013 (the "True-Up Award"). Executive shall receive his first installment of the True-Up Award in the event that Executive's 2009 BorgWarner, Inc. Performance Share awards would have paid out at level greater than 100% had Executive remained employed through the payment date, as determined by reference to the actual TSR performance over the 2009-2011 performance period listed in BorgWarner, Inc.'s 2012 proxy statement. Executive shall receive his second installment of the True-Up Award in the event that Executive's 2010 BorgWarner, Inc. Performance Share awards would have paid out at level greater than 100% had Executive remained employed through the payment date, as determined by reference to the actual TSR performance over the 2010-2012 performance period listed in BorgWarner, Inc.'s 2013 proxy statement. Each installment shall be paid in ordinary common stock of the Company, cash or a combination of both, at the discretion of the Company's Compensation Committee. In the event that Executive voluntarily terminates his employment (other than for Good Reason) or the Company involuntary terminates his employment for Cause prior to the first anniversary of the Effective Date, he shall within ten (10) days thereafter repay the portion of the True-Up Award that has previously been paid to him in full to the Company. In the event that Executive voluntarily terminates his employment (other than for Good Reason) or the Company involuntary terminates his employment for Cause after the first anniversary and prior to the third anniversary of the Effective Date, he shall within ten (10) days thereafter repay a proportionate amount of the True-Up Award to the Company based on the ratio of the number of days from the date of termination until such third anniversary to 1095 days. In the event of a Change in Control of the Company, Executive shall have no obligation to repay the True-Up Award upon a voluntary termination of his employment for any reason thereafter.

5.6 **Cash Award.** As a further inducement, the Executive shall receive a cash award in the amount of $1,500,000 ("Cash Award"), payable in two equal installments of $750,000. The first installment shall be paid within 30 days of the Effective Date. The second installment shall be paid on the first anniversary of the Effective Date, provided that Executive remains continuously employed by the Company until such date. The Cash Award shall vest and become immediately payable upon the first to occur of (i) an involuntary termination of Executive's employment by the Company without Cause (and not due to Disability) or Executive's voluntary termination for Good Reason or (ii) a Change in Control of the Company. In the event that Executive voluntarily terminates his employment (other than for Good Reason) or the Company involuntary terminates his employment for Cause prior to the first anniversary of the Effective Date, he shall within ten (10) days thereafter repay the portion of the Cash Award that has previously been paid to him in full to the Company. In the event that Executive voluntarily terminates his employment (other than for Good Reason) or the Company involuntary terminates his employment for Cause after the first anniversary and prior to the third anniversary of the Effective Date, he shall within ten (10) days thereafter repay a proportionate amount of the Cash Award to the Company based on the ratio of the number of days from the date of termination until such third anniversary to 1095 days. In the event of a Change in Control of the Company, Executive shall have no obligation to repay the Cash Award upon a voluntary termination of his employment for any reason thereafter.

5.7 **Stock Purchase Award.** As a further inducement, as soon as practicable after the Effective Date and no later than his first regularly scheduled payroll date, Executive shall receive a cash award in the amount of $500,000, provided that Executive expends the after-tax proceeds of which (based on maximum marginal tax rates) to purchase shares of Company common stock within 3 months of the Effective Date (the "Stock Purchase Award"). Executive shall hold the Stock Purchase Award in accordance with the Company's stock ownership policy for its officers. In the event that Executive voluntarily terminates his employment (other than for Good Reason) or the Company involuntary terminates his employment for Cause prior to the first anniversary of the Effective Date, he shall within ten (10) days thereafter repay the Company an amount equal to the product of the number of shares constituting the Stock Purchase Award multiplied by the Market Value Per Share on the date of such termination (the "Stock Purchase Repayment Amount"). In the event that Executive voluntarily terminates his employment (other than for Good Reason) or the Company involuntary terminates his employment for Cause after the first anniversary and prior to the third anniversary of the Effective Date, he shall within ten (10) days thereafter repay a proportionate amount of the Stock Purchase Repayment Amount to the Company based on the ratio of the number of days from the date of termination until such third anniversary to 1095 days. In the event of a Change in Control of the Company, Executive shall have no obligation to repay the Stock Purchase Repayment Amount upon a voluntary termination of his employment for any reason thereafter.

5.8 **Relocation.** The Executive will be eligible for the Company's standard relocation program in the event relocation is required in the first 12 months of employment, or subsequently due to a work location change.

5.9 **Vacation.** In addition to legal holidays observed by the Company, Executive shall be entitled to twenty (20) days of paid vacation per year, which vacation days shall accrue and be useable by Executive in accordance with the Company's standard vacation policies. Upon termination of employment, the Company shall promptly pay Executive any accrued and unused vacation days.

5.10 **Expenses.** During the term of Executive's employment hereunder, Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by Executive in performing services hereunder, including all expenses of travel and living expenses while away from home on business or at the request or and in the service of the Company, provided that such expenses are incurred and accounted for in accordance with the policies and procedures as reasonably established by the Company.

5.11 **Other Benefits.** Executive shall be entitled to participate in all of the Company's benefit plans or arrangements, subject to the terms and conditions thereof, as in effect from time to time with respect generally to senior executives; provided, Executive's allowance for perquisites under the applicable perquisite program of the Company shall be in the amount of $50,000 for each fiscal year. The Company shall pay the professional fees and costs incurred by Executive in connection with the negotiation and documentation of his employment arrangements in an amount not to exceed $25,000.

6. Termination.

6.1 **Termination for Any Reason.** Anything herein to the contrary notwithstanding, the Company may terminate Executive's employment at any time for any reason with or without notice. Executive may voluntarily terminate his employment at any time for any reason after giving the Company not less than thirty (30) days prior notice of such termination. The Term shall terminate upon any such termination of employment.

6.2 **Termination Upon Death or Disability.** Executive's employment hereunder shall terminate upon his death. In the event that Executive's employment terminates due to his death or Disability, he shall be entitled to (i) his accrued and unpaid Base Salary and accrued and unused vacation, payable not later than the first complete payroll payment date following such termination, (ii) his unreimbursed business expenses incurred prior to such termination, payable in accordance with the policies and procedures applicable under Section 5.10 and (iii) his accrued and vested benefits under all employee benefit plans in which Executive is a participant, payable in accordance with the terms of such plans (collectively, Executive's "Accrued Obligations"). Executive shall also be entitled to any unpaid annual and long term cash bonus earned for a completed previous performance period, payable when such bonuses are paid to other senior executives ("Prior Bonus"). Upon payment of such amounts and benefits, the Company shall have no further obligation to Executive. For all purposes under this Agreement, "Disability" shall have the meaning set forth in the Company's Executive Severance Plan (or successor to such plan).

6.3 **Termination by the Company For Cause.** In the event that the Company terminates Executive's employment for Cause, Executive shall be entitled to his Accrued Obligations. Upon payment of such amounts and benefits, the Company shall have no further obligation to Executive.

6.4 **Termination by the Company Without Cause; by Executive for Good Reason.**

6.4.1 In the event that the Company involuntarily terminates Executive's employment without Cause (and not due to Disability) or Executive voluntarily terminates his employment for Good Reason, Executive shall be entitled to (i) his Accrued Obligations and any Prior Bonus, (ii) severance in an amount equal to twenty-four (24) months of Executive's Base Salary, payable in regular payroll installments over the twenty-four (24) month period commencing on the date of Executive's termination, (iii) a bonus based on actual performance under the annual incentive program and pro rated based on the ratio of the number of days employed during the fiscal year to 365, and paid when annual bonuses are paid to other senior executives, (iv) medical, dental, prescription drug, basic life insurance and employee assistance program benefits for twenty-four (24) months following the date of Executive's termination subject to Executive's payment of any required employee contributions consistent with those contributions required of active employees of the Company (and which benefits shall be coterminous with Executive's entitlement to COBRA health benefits continuation), and (v) outplacement benefits (having a cost not exceeding $50,000); provided, such payments and benefits provided under clauses (ii), (iii), (iv) and (v) shall be subject to Executive entering into a complete release of all claims in the form then applicable for such a termination under the Company's Executive Severance Plan (or any successor to such plan). Upon payment of such amounts and benefits, the Company shall have no further obligation to Executive. All amounts payable under this Section 6.4 shall be in lieu of and not in addition to any amount that otherwise might be payable under the Company's Executive Severance Plan (or successor to such plan) upon such a termination.

6.4.2 For all purposes under this Agreement, "Cause" shall mean and include (i) a willful and material misappropriation of any monies or assets or properties of the Company; (ii) a willful and material breach by Executive of the terms of this Agreement that is demonstrably injurious to the Company and that has not been cured within thirty (30) days after written notice to Executive of the breach, which notice shall specify the breach and the nature of conduct necessary to cure such breach; or (iii) the conviction of, or plea of guilty or nolo contendre, by Executive to a felony or to any criminal offense involving Executive's moral turpitude.

6.4.3 For all purposes under this Agreement, "Good Reason" shall mean the occurrence of any of the following without the Executive's consent: (i) any material adverse change by the Company in Executive's title, position, authority or reporting relationships with the Company; (ii) the Company's requirement that Executive relocate to a location in excess of fifty (50) miles from the Company's current office location or from any future office location acceptable to Executive; or (iii) any material breach by the Company of this Agreement which is not cured within thirty (30) days after written notice thereof by Executive to the Company, which notice shall specify the breach and the nature of conduct necessary to cure such breach.

6.5 **Termination By Executive Other than for Good Reason.** In the event that Executive voluntarily terminates his employment other than due to Disability and other than for Good Reason, he shall be entitled to his Accrued Obligations. Upon payment of such amounts and benefits, the Company shall have no further obligation to Executive.

6.6 **Termination Upon Expiration of the Term.** In the event Executive's employment is terminated by the Company or Executive upon the expiration of the Term, Executive shall be entitled to his Accrued Obligations and any Prior Bonus. Upon payment of such amounts and benefits, the Company shall have no further obligation to Executive.

7. Confidential Information.

7.1 During the period of Executive's employment and at all times thereafter, Executive shall protect and not disclose Proprietary Information, except as may be required to discharge his duties hereunder or if Executive is required by law, regulation, or court order to disclose any Proprietary Information. "Proprietary Information" is all information, whether or not reduced to writing (or in a form from which information can be obtained, translated, or derived into reasonably usable form) or maintained in the mind or memory of Executive and whether compiled or created by the Company, any of its subsidiaries or any affiliates of the Company or its subsidiaries (collectively, the "Company Group"), which derives independent economic value from not being readily known to or ascertainable by proper means by others who can obtain economic value from the disclosure or use of such information, of a proprietary, private, secret or confidential (including, without exception, inventions, products, processes, methods, techniques, formulas, compositions, compounds, projects, developments, sales strategies, plans, research data, clinical data, financial data, personnel data, computer programs, customer and supplier lists, trademarks, service marks, copyrights (whether registered or unregistered), artwork, and contacts at or knowledge of customers or prospective customers) nature concerning the Company Group's business, business relationships or financial affairs; provided however, that Proprietary Information shall not include any information that (i) has become generally available to the public other than as a result of a disclosure by Executive, or (ii) was available or became known to Executive prior to the disclosure of such information on a non-confidential basis without breach of any duty of confidentiality from any party to the Company and Executive.

7.2 Executive further agrees that his obligation not to disclose or to use information and materials of the types, and his obligation to return materials and tangible property, set forth in this Section 7 also extends to such types of information, materials and tangible property of customers of the Company Group, consultants for the Company, suppliers to the Company, or other third parties who may have disclosed or entrusted the same to the Company or to Executive.

7.3 Executive's obligations under this Section 7 are in addition to, and not in limitation of, all other obligations of confidentiality under the Company's policies, general legal or equitable principles or statutes.

8. Statements to Third Parties.

8.1 During the period of Executive's employment and at all times thereafter, other than in connection with the performance of his duties hereunder, Executive shall not, directly or indirectly, make or cause to be made any statements, including but not limited to, comments in books or printed media, to any third parties criticizing or disparaging the Company Group or commenting on the character or business reputation of the Company Group and resulting in a material adverse impact upon the Company. Without the prior written consent of the Board, unless otherwise required by law, Executive shall not (i) publicly comment in a manner materially adverse to the Company Group concerning the status, plans or prospects of the business of the Company Group or (ii) publicly comment in a manner materially adverse to the Company Group concerning the status, plans or prospects of any existing, threatened or potential claims or litigation involving the Company Group; provided, nothing herein shall preclude honest and good faith reporting by Executive to appropriate Company or legal enforcement authorities.

8.2 During the period of Executive's employment and at all times thereafter, other than in connection with the performance of the duties of Company senior executives (other than Executive), no senior executive of the Company (other than Executive) shall, directly or indirectly, make or cause to be made any statements, including but not limited to, comments in books or printed media, to any third parties criticizing or disparaging Executive or commenting on the character or business reputation of Executive, and resulting in a material adverse impact upon Executive. Nothing herein shall preclude honest and good faith reporting by the Company to appropriate legal enforcement authorities.

9. **Non-Competition.** For a period commencing on the Effective Date and continuing for twenty-four (24) months following Executive's termination of employment for any reason (the "Restricted Period"), Executive covenants and agrees that Executive shall not, directly or indirectly, engage in any activities on behalf of or have an interest in any Competitor of the Company Group, whether as an owner, investor, executive, manager, employee, independent consultant, contractor, advisor, or otherwise, other than ownership of less than one percent (1%) of any class of stock in a publicly traded corporation. A "Competitor" is any entity doing business directly or indirectly (as an owner, investor, provider of capital or otherwise) in the United States including any territory of the United States (the "Territory") that provides products or services that are the same or similar to the products or services that are being provided by any member of the Company Group at the time of Executive's termination or that were provided by a member of the Company Group during the two-year period prior to Executive's termination of employment. Executive acknowledges and agrees that due to the continually evolving nature of the Company Group's industry, the scope of its business or the identities of Competitors may change over time. Executive further acknowledges and agrees that the Company Group markets its products and services on a nationwide basis, encompassing the Territory and that the restrictions imposed by this covenant, including the geographic scope, are reasonably necessary to protect the Company Group's legitimate interests.

10. **Non-Solicitation.** Executive hereby covenants and agrees that he shall not during the Restricted Period, directly or indirectly, individually or on behalf of any other person or entity:

10.1 Hire or employ or assist in hiring or employing any person who was at any time during the last 6 months of Executive's employment an employee, representative or agent of any member of the Company Group or solicit, aid, induce or attempt to solicit, aid, induce or persuade, directly or indirectly, any person who is an employee, representative, or agent of any member of the Company Group to leave his or her employment with any member of the Company Group to accept employment with any other person or entity provided, however, the foregoing shall not prohibit advertisements for employment placed in newspapers or other media of general circulation to the general public; or

10.2 Solicit any customer of the Company Group, or any person or entity whose business the Company Group had solicited during the 180-day period prior to termination of Executive's employment for purposes of business which is competitive to the Company Group within the Territory.

11. **Developments.** Executive acknowledges and agrees that he shall make full and prompt disclosure to the Company of all inventions, improvements, discoveries, methods, developments, software, mask works, and works of authorship, whether patentable or copyrightable or not, (i) which relate to the Company's business and have heretofore been created, made, conceived or reduced to practice by Executive or under his direction or jointly with others, and not assigned to prior employers, or (ii) which have utility in or relate to the Company's business and are created, made, conceived or reduced to practice by Executive or under his direction or jointly with others during his employment with the Company, whether or not during normal working hours or on the premises of the Company (all of the foregoing of which are collectively referred to in this Agreement as "Developments"). Executive further agrees to enter into the Company's standard form of invention and disclosure agreement that is required of all new employees. Executive further agrees to cooperate fully with the Company, both during and his employment with the Company, with respect to the procurement, maintenance and enforcement of copyrights, patents and other intellectual property rights (both in the United States and other countries) relating to Developments. Executive shall not be required to incur or pay any costs or expenses in connection with the rendering of such cooperation.

12. **Remedies.** Executive and the Company agree that the covenants contained in Sections 7, 8, 9, 10 and 11 (the "Covenants") are reasonable under the circumstances, and further agree that if in the opinion of any court of competent jurisdiction any such Covenant is not reasonable in any respect, such court shall have the right, power and authority to sever or modify any provision or provisions of such Covenants as to the court will appear not reasonable and to enforce the remainder of the covenants as so amended. Executive acknowledges and agrees that the remedy at law available to the Company for breach of any of Executive's obligations under the Covenants would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, Executive acknowledges, consents and agrees that, in addition to any other rights or remedies that the Company may have at law, in equity or under this Agreement, upon adequate proof of Executive's violation of any Covenant, the Company shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach, without the necessity of proof of actual damage or of posting any bond.

13. **Indemnification; Insurance.** On the Effective Date, the Company and Executive shall enter into the Company's standard form of director and officer indemnification agreement.

14. **Change in Control.** In the event the Executive's employment is terminated by the Company without cause or by the Executive for Good Reason during the period beginning six (6) months prior to a Change in Control and ending upon the third anniversary of such Change in Control, then the Executive shall receive Change in Control related pay and benefits no less favorable than those set forth in the Company's Executive Severance Plan in effect as of the Effective Date; provided, however, that Executive acknowledges that the tax gross-up provisions in the Plan no longer apply and are not included in his benefits. For purposes of this Agreement, "Change in Control" shall have the meaning set forth in the Company's Executive Severance Plan.

15. **Representation; Legal Restrictions.** Executive represents and warrants to the Company that Executive is not a party to any contract, agreement or understanding, written or oral, including, without limitation, any agreement containing any non-competition, non-solicitation, confidentiality or other restrictions on your activities, which could prevent Executive from entering into this Agreement or performing all of Executive's duties and obligations hereunder, other than as has been disclosed by Executive.

16. **Withholding.** The Company may withhold from any and all amounts payable under this Agreement such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

17. **Notice.** For the purposes of this Agreement, notices, demands and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or (unless otherwise specified) mailed by registered mail, return receipt requested, postage prepaid, addressed as set forth above, or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

18. **Miscellaneous.**

18.1 The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Delaware.

18.2 Sections 6 (respecting any termination of employment occurring prior to expiration of the Term), 7, 8, 9, 10, 11, 12, 13 and 14 (and such provisions of Section 18 as are relevant) of this Agreement shall remain in full force and effect and shall survive the termination of Executive's employment and the expiration or other termination of this Agreement.

18.3 Any dispute, controversy or question arising under, out of, or relating to this Agreement (or the breach thereof), or, Executive's employment with the Company or termination thereof, other than those disputes relating to Executive's alleged violations of Sections 7, 8.1, 9, 10 and 11, or the Company's alleged violation of Section 8.2, of this Agreement shall be referred for binding arbitration in Toledo, Ohio. Such arbitration shall be conducted in accordance with the National Rules for Resolution of Commercial Disputes of the American Arbitration Association ("Rules"). The parties shall select a neutral arbitrator and this shall be the sole means for resolving such dispute; provided, if the parties are unable to agree to an arbitrator, an arbitrator will be selected in accordance with the Rules. Each party shall be responsible for his or its attorneys' fees and litigation expenses, however, the Company shall pay the costs of the arbitration. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. This Section 18.3 shall not apply to any action by the Company to enforce Sections 7, 8.1, 9, 10 or 11, or by Executive to enforce Section 8.2, of this Agreement and shall not in any way restrict the Company's remedies under Section 12 of this Agreement.

18.4 It is the intent of the parties that this Agreement be administered so as to comply with Section 409A of the Internal Revenue Code of 1986 ("Section 409A") and all applicable regulations. The parties intend that any payment due hereunder shall be delayed or adjusted as deemed reasonably necessary to avoid the imposition of Section 409A penalties upon Executive. Without limiting the generality of the foregoing and any provision in this Agreement to the contrary notwithstanding, if any portion of the payments or benefits to be received by Executive under this Agreement would be considered deferred compensation under Section 409A, then the following provisions shall apply to the relevant portion:

18.4.1 For purposes of this Agreement, no payment that would otherwise be made and no benefit that would otherwise be provided upon a termination of employment shall be made or provided unless and until such termination of employment is also a "separation from service" (as determined in accordance with Section 409A);

18.4.2 If Executive is a "specified employee" (within the meaning of Section 409A and determined pursuant to procedures adopted by the Company) at the time of a separation from service, each portion of such payments and benefits that would otherwise be payable pursuant to this Agreement upon a separation from service during the six (6) month period immediately following the separation from service shall instead be paid or made available on the earlier of (i) the first business day of the seventh month following the date Executive incurs a separation from service, and (ii) Executive's death (the applicable date, the "Permissible Payment Date");

18.4.3 With respect to any amount of expenses eligible for reimbursement under this Agreement, such expenses shall be reimbursed by the Company within 60 calendar days (or, if applicable, on the Permissible Payment Date) following the date on which the Company receives the applicable invoice from Executive but in no event later than December 31 of the year following the year in which Executive incurs the related expense;

18.4.4 Payments delayed under this Section 18.4 as a result of the application of Section 409A shall not accrue interest. In no event shall the reimbursements or in-kind benefits to be provided by the Company in one taxable year affect the amount of reimbursements or in-kind benefits to be provided in any other taxable year, nor shall Executive's right to reimbursement or in-kind benefits be subject to liquidation or exchange for another benefit; and

18.4.5 Each payment under this Agreement shall be considered a "separate payment."

18.4.6 If Executive's termination of employment occurs on or after November 1st of a calendar year, any payment that otherwise would have been paid to Executive between Executive's termination date and the end of the calendar year (and which are contingent upon Executive entering into a complete release of all claims), will be paid to Executive as soon as practicable in the following calendar year and on or before the 90th day following the Termination Date.

18.5 The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

18.6 Any waiver, alteration, amendment or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by each of the parties hereto; provided, however, that any such waiver, alteration, amendment or modification is consented to on the Company's behalf by the Board or a Committee or member thereof as may be duly authorized by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

18.7 This Agreement, and Executive's rights and obligations hereunder, may not be assigned or delegated by him. The Company may assign its rights, and delegate its obligations, hereunder to any subsidiary or affiliate of the Company, or any successor to the Company, specifically including the Covenants. The rights and obligations of the Company under this Agreement shall inure to the benefit of and be binding upon its respective successors and assigns. The rights and obligations of Executive under this Agreement shall inure to the benefit of and be binding upon his heirs and legatees.

18.8 This Agreement constitutes the entire understanding and agreement of the parties hereto regarding the employment of Executive. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings and agreements between the parties relating to the subject matter of this Agreement.

18.9 The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof, affect the meaning or interpretation of this Agreement or of any term or provision hereof. Words of one gender shall be interpreted to mean words of another gender when necessary to construe this Agreement, and in like manner words in singular may be interpreted to be in the plural, and vice versa. Use of the word "or" shall mean "either or both" and use of the word "including" shall be "without limitation."

18.10 This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

Dana Holding Corporation

By: /s/ Keith E. Wandell	/s/ Roger Wood
Keith E. Wandell	Roger Wood
Executive Chairman, Board of Directors	

EXHIBIT 10.2

Dana Holding Corporation

Roger Wood
PO Box 1000
Toledo, OH 43697

July 26, 2011

8K SUMMARY & EXHIBIT FILED IN 10Q

Dear Mark,

On behalf of Dana Holding Corporation and the Compensation Committee of the Board of Directors, I am pleased to inform you that we are providing you with a retention award equal to your annual base salary. The award will be delivered to you in restricted stock units (RSUs) cliff vesting on July 26, 2013.

The award is intended to provide you a financial incentive to remain employed with the company and encourage your continued track record of assuming greater levels of responsibility. The award is contingent upon your agreement to sign the attached Non-Compete and Non-Solicitation agreement.

Mark, I look forward to your ongoing contributions and to working with you in the years to come. Congratulations and thank you for being part of our team.

Sincerely,

Roger J. Wood,
Chief Executive Officer

Concur: /s/ Mark E. Wallace
Mark E. Wallace

CC: Compensation Committee

Notes:
The **restricted stock units (RSUs)** will vest in full provided you remain employed and in good standing on July 26, 2013. In the event you voluntarily terminate prior to July 26, 2013, the RSUs will be forfeited. In the event you are involuntarily terminated – without cause, prior to July 26, 2013, you will be entitled to pro-rata vesting based on full months worked between July 26, 2011 and July 26, 2013.

EXHIBIT 10.3

DANA HOLDING CORPORATION
AND ITS AFFILIATED COMPANIES

PROPRIETARY INTEREST PROTECTION AND NON-SOLICITATION AGREEMENT

WHEREAS, I expressly agree and understand that this Agreement and covenants herein are necessary to protect Dana's confidential information, trade secrets and other proprietary interests;

WHEREAS, in addition to other good and valuable consideration, I am expressly being given significant promotion opportunities, potential continued employment, possible promotional opportunities, certain monies and benefits, and/or trade secrets and confidential information of Dana and its customers, suppliers, vendors and affiliates to which I would not have access to but for my employment by Dana at the level to which Dana has promoted me in exchange for this Agreement; and

WHEREAS, these recitals are material terms of this Agreement.

In consideration for my employment, potential continued employment, training, salary increase, benefits, the provision of trade secrets, the provision of confidential information and/or the payment of wages to me by Dana during my employment, I agree as follows:

1. **Disclosure of Confidential Information** I will not, without Dana's prior permission, directly or indirectly disclose to anyone outside of Dana, either during or after my employment, trade secrets or other confidential information of Dana, or any information received in confidence from third parties by Dana or about third parties by Dana, as long as such matters remain trade secrets or confidential. The term "Dana" as used in this Agreement shall include Dana Holding Corporation and its affiliated, parent and subsidiary corporations as well as its successors and assigns. Trade secrets and other confidential information shall include any information or material which has not been made available generally to the public through improper means and which (a) is generated or collected by or utilized in the operations of Dana and relates to the actual or anticipated business or research or development of Dana; or (b) is suggested by or results from any task assigned to me by Dana or work performed by me for or on behalf of Dana. The confidentiality obligations herein shall not prevent me from revealing evidence of criminal wrongdoing to law enforcement or prohibit me from divulging confidential information or trade secrets by order of court or agency of competent jurisdiction; however, I shall promptly inform Dana of any such situations and shall take such reasonable steps to prevent disclosure of confidential information or trade secrets until Dana has been informed of such requested disclosure and Dana has had an opportunity to respond to the Court or Agency.

2. **Return of Property and Copying** I agree that all tangible materials (whether originals or duplicates), including, but not limited to, drawings, notebooks, reports, proposals, price lists, list of actual or potential customers or suppliers, formulae, prototypes, tools, equipment, models, specifications, methodologies, blueprints, financial data, contracts, agreements, correspondence, documents, computer disks, software, computer printouts, information stored electronically on a computer, memoranda, and notes, in my possession or control which in any way relate to Dana's business and which are furnished to me by Dana or which are prepared, compiled or acquired by me while employed by Dana shall be the sole property of Dana. I will at any time upon the request of Dana and in any event promptly upon termination of my employment, deliver all such materials to Dana and will not retain any originals or copies of such materials. I also agree that I will not copy or remove from Dana's place of business property or information belonging to Dana or entrusted to Dana without the express written consent of Dana.

3. **Assignment of IP** I hereby assign to Dana my entire right, title and interest in any idea, formula, invention, discovery, design, drawing, process, method, technique, device, improvement, computer program and related documentation, technical and non-technical data and work of authorship (all hereinafter called "Developments"), which I may solely or jointly conceive, write or acquire during the period I am employed with Dana and which relate in any way to the actual or anticipated business or research or development of Dana, or which are suggested by or result from any task assigned to me or work performed by me for or on behalf of Dana, whether or not such Developments are made, conceived, written or acquired during normal hours of employment or using Dana facilities, and whether or not such Developments are patentable, copyrightable or susceptible to other forms of protection. The foregoing provision regarding assignment of right, title and interest does not apply to a Development for which no equipment, supplies, facilities or trade secret information of Dana was used and which was developed entirely on my own time, unless (a) the Development relates (i) to the business of Dana or (ii) to Dana's actual or demonstrably anticipated research or development or (b) the Development results from any work performed by me for Dana. I acknowledge that the copyright and any other intellectual property right in any Developments and related documentation, and work of authorship, which are created within the scope of my employment with Dana, belong to Dana.

4. **Disclosure of IP** In connection with any of the Developments referred to in Paragraph 3, I will promptly disclose them to the management of Dana and I will, on Dana's request, promptly execute a specific assignment of title to Dana and such other documents as may reasonably be requested by Dana for the purpose of vesting, confirming or securing Dana title to the Developments, and I will do anything else reasonably necessary to enable Dana to secure a patent, copyright or other form of protection thereof in the United States and in other countries even after the termination of my employment with Dana.

5. **Identification of IP** I have identified on Exhibit A all Developments not assigned by Paragraph 3 in which I have any right, title or interest, and which were made, conceived or written wholly or in part by me prior to my employment with Dana and which relate to the actual or anticipated business or research or development of Dana. If I do not have any to identify, I have written "none" on this line:___________. I represent that I am not a party to any agreements which would limit my ability to assign Developments as provided for in Paragraph 3.

6. **Protection of Proprietary Interests**

(a) I agree that during my employment with Dana, and for a period of 12 months thereafter, I will not, directly or indirectly, on behalf of myself or any other person, company or entity, solicit or participate in soliciting, products or services competitive with or similar to products or services offered by, manufactured by, designed by or distributed by Dana to any person, company or entity which was a Dana customer or potential customer for such products or services and with which I had direct or indirect contact with regarding those products or services at any time during the last 12 months of my Dana employment.

(b) I agree that during my employment by Dana and for 12 months thereafter, I will not directly or indirectly, in any capacity, provide products or services competitive with or similar to products or services offered by Dana to any person, company or entity which was a Dana customer for such products or services and with which I had direct or indirect contact with regarding those products or services at any time during the last 12 months of my Dana employment.

(c) I agree that during my employment with Dana and for a period of 12 months thereafter, I will not, directly or indirectly hire, solicit, attempt to persuade or communicate with any employee of Dana, or any person who was an employee of Dana within the two months preceding contact between myself and that person, to leave the employ of Dana or otherwise interfere with the performance of their duties for Dana.

(d) I agree that during my employment and for a period of 12 months thereafter I will not directly or indirectly, on behalf of myself or any other person, company or entity, participate in the development or manufacture of any products or services similar to or competitive with products or services of Dana with which I had direct product or service research, development or manufacturing responsibilities during the last 12 months of my Dana employment.

7. **Best Efforts** I agree that during my employment by Dana I will devote my best efforts to the performance of my duties and the advancement of Dana and shall not engage in any other employment, profitable activities, or other pursuits which would cause me to utilize or disclose Dana' confidential information or trade secrets, detract from my ability to devote my best efforts to Dana or reflect adversely on Dana. This shall include, but is not limited to, performing tasks for customers of Dana outside of my customary duties at Dana, giving speeches or writing articles without the prior written permission of Dana and accepting gifts of more than nominal value from suppliers, customers, partners, members or competitors.

8. **Certification** I agree not to disclose to Dana, or use in my work at Dana, any confidential information and/or trade secrets belonging to others, including my prior employers, or any prior inventions made by me and which Dana is not otherwise legally entitled to learn of or use. Furthermore, by executing this Agreement, I certify that I am not subject to any restrictive covenants and/or obligations that would prevent me from fully performing my duties for Dana. I also agree that Dana may contact any employer or prospective employer of mine to inform them of my obligations under this Agreement and that I shall affirmatively provide this Agreement to all subsequent employers.

9. **Jurisdiction, Choice of Law, Injunctive Relief and Attorney Fees** I consent to the jurisdiction of the courts of Ohio and the application of Ohio law with respect to any matter or thing arising out of this Agreement. In the event of a breach or a threatened breach of this Agreement, by me, I acknowledge that Dana will face irreparable injury which may be difficult to calculate in dollar terms and that Dana shall be entitled, in addition to remedies otherwise available at law or in equity, to temporary restraining orders and preliminary injunctions and final injunctions enjoining such breach or threatened breach. In the event Dana shall successfully enforce any part of this Agreement through legal proceedings, I agree to pay Dana all costs and attorneys' fees reasonably incurred by Dana in connection therewith.

10. **Amendment and Severability** Except as set forth in paragraph 12 below and in the Standards of Business Conduct with respect to the subject matter hereof, this Agreement is my entire agreement with Dana, and it amends (to the extent enforceable) all previous oral or written understandings or agreements made by or with Dana. No waiver of any breach of any provision of this Agreement by Dana shall be construed to be a waiver of any succeeding breach or as a modification of such provision. The provisions of this Agreement shall be severable and in the event that any provision of this Agreement shall be found by any court to be unenforceable, in whole or in part, the remainder of this Agreement as well as the provisions of my prior agreement, if any, regarding the same subject matter as that which was found unenforceable herein shall nevertheless be enforceable and binding on the parties. I also agree that the court may modify any invalid, overbroad or unenforceable term of this Agreement so that such term, as modified, is valid and enforceable under applicable law.

11. **At-Will Employment** I acknowledge that nothing in this Agreement is intended to require that I continue my employment with Dana for any particular length of time or to require that Dana continue my employment or compensation for any particular length of time. I acknowledge that the foregoing restrictions and covenants shall survive termination of my employment with Dana for any reason.

12. **Acknowledgment of Obligations** I acknowledge that my obligations under this Agreement are in addition to any and all obligations concerning the same subject matter arising under any applicable law including, without limitation, common law relating to fiduciary duties and common law and statutory law relating to trade secrets or any other agreements that I have signed with Dana relating to these same matters..

13. **Assignability** The rights herein may be assigned by Dana and shall bind and inure to the benefit of Dana' successors, assigns, heirs and representatives. If Dana makes any assignment of the rights herein, I agree that this Agreement shall remain binding upon me in any event.

14. **Change of Position** I acknowledge and agree that any change in my position or title with Dana shall not cause this Agreement to terminate and shall not effect any change in my obligations under this Agreement as long as my employment remains with a Dana company as defined in this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement:

Signed:	______________________ Employee	Date:	______________________
Signed:	______________________ Dana's Representative	Date:	______________________

EXHIBIT 31.1

Certification of Chief Executive Officer

I, Roger J. Wood, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dana Holding Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2011

/s/ Roger J. Wood

Roger J. Wood
President and Chief Executive Officer

EXHIBIT 31.2

Certification of Chief Financial Officer

I, James A. Yost, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dana Holding Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2011

/s/ James A. Yost

James A. Yost
Executive Vice President and
Chief Financial Officer

EXHIBIT 32

Certifications Pursuant to 18 U.S.C. Section 1350

In connection with the Quarterly Report of Dana Holding Corporation (Dana) on Form 10-Q for the three months ended June 30, 2011, as filed with the Securities and Exchange Commission on the date hereof (the Report), each of the undersigned officers of Dana certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Dana as of the dates and for the periods expressed in the Report.

Date: July 28, 2011

/s/ Roger J. Wood
Roger J. Wood
President and Chief Executive Officer

/s/ James A. Yost
James A. Yost
Executive Vice President and
Chief Financial Officer