



2023 Fourth-quarter & Full-year Earnings Conference Call

February 20, 2024

120 YEAR



Safe Harbor Statement

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

Agenda

120 YEAR

Since  1904



Craig Barber

Senior Director, Investor Relations and Corporate Communications

Introduction

James Kamsickas

Chairman and Chief Executive Officer

Business Review

Timothy Kraus

Senior Vice President and Chief Financial Officer

Financial Review

Business Results and Outlook

2023 Results

sales

\$10.6 billion

↑ \$399M from prior year

adjusted EBITDA

\$845 million

↑ \$145M from prior year

free cash flow

\$(25) million

↓ \$234M from prior year

2023 Highlights

- Sales growth up 4% vs. 2022
 - Record annual sales
 - 81% increase since 2016
- Profit growth up 20% vs. 2022
 - Converted over 40% on incremental sales
 - Roll-on business and efficiency gains
- Significant investment:
 - > 100 new program launches
 - Upgraded manufacturing capabilities
 - Complete in-house EV product portfolio
- Strong momentum into 2024...

2024 Outlook

- Increased sales, profit, and FCF
- Improved operating environment
- Improved market
 - Gaining market share
 - Improved pricing
 - Partially offset by lower volume in CV & OH
- Record sales backlog
 - 3-year net new business of \$950M
 - \$50M higher than prior backlog
- Balanced growth: energy-source agnostic
 - Product: ICE & EV
 - Geography
 - Mobility markets
 - Customers

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

Successful Execution of Company-wide Transformation Leading to Profitable Growth

2024 Operating Environment

Supply Chain & Currency



- Net commodities expected to be sales and profit headwind
- Steel prices expected to be mostly flat in 2024 with lower volatility
- Commodity recoveries reversing as input costs decline
- Slight margin headwinds from foreign currency

Cost Inflation



- Cost inflation moderating
- Labor costs increasing
- Monitoring ocean freight
- Pricing and cost-reduction actions muting inflation impact

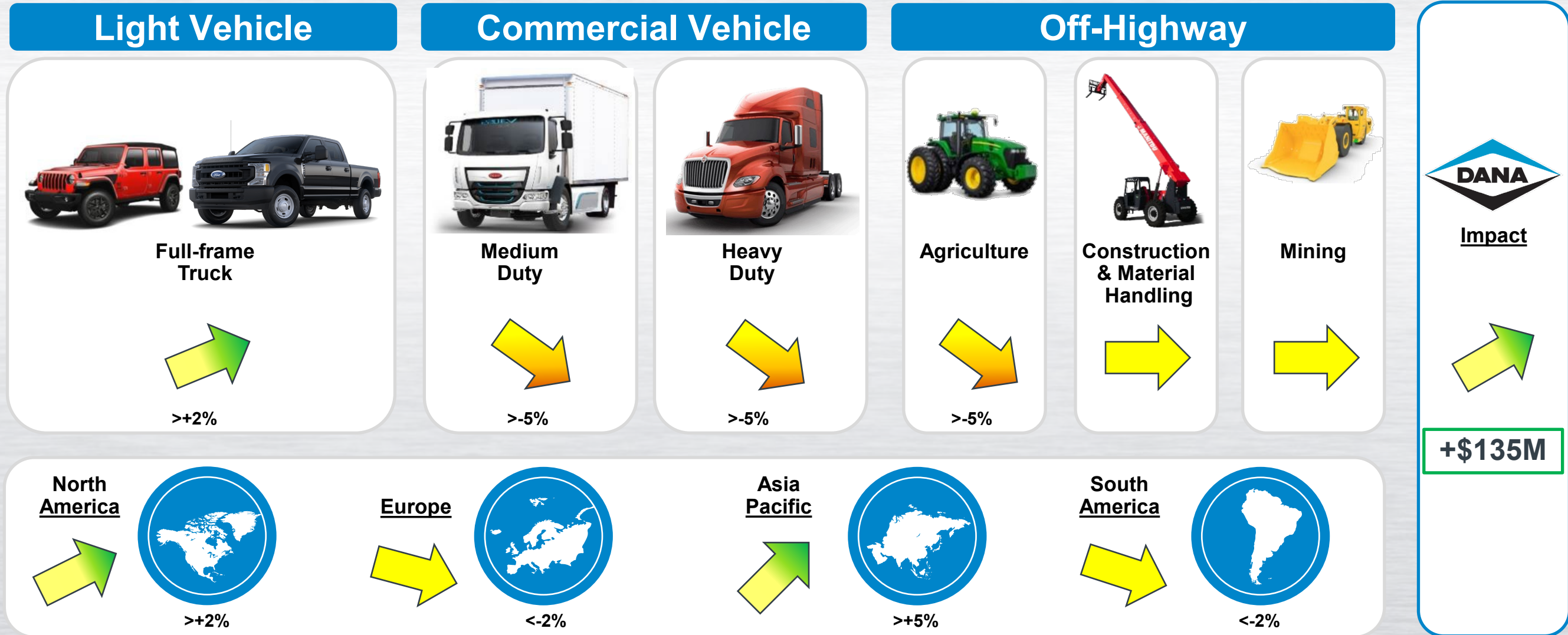
Operational Impacts



- Improved customer production stability
- Continued efficiency improvements
- Launch costs lower than last year

Refreshed Programs, New Business Backlog, and Efficiency Improvements Driving Profitable Growth

2024 Market Outlook



Primary Third-Party Sources: S&P Global, ACT Research, Power Systems Research

Above-market Growth Driven by Market Share Gains and Market Mix

2023 Launch Performance

>100 Program Launches

Record number of launches fully industrialized

Successful Execution

Outstanding customer satisfaction

>\$2.5B Annualized Sales

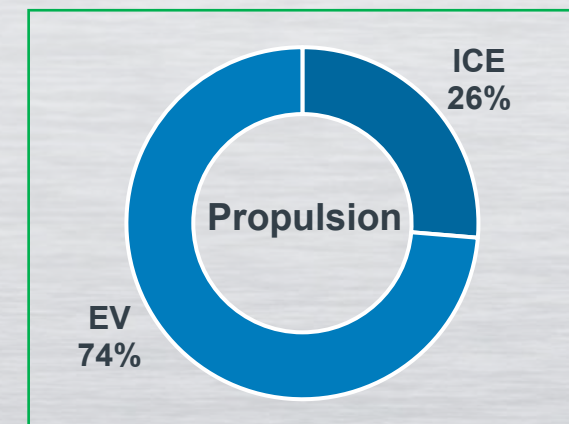
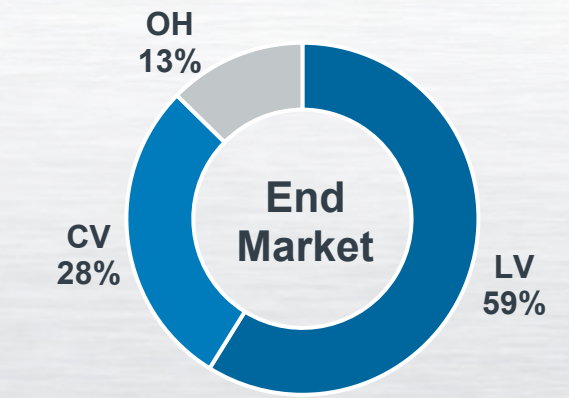
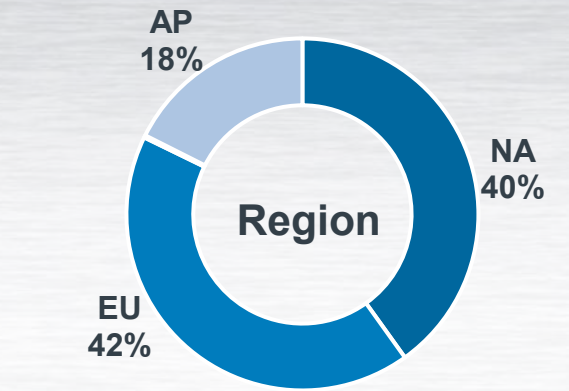
Includes many of our largest programs

Company-wide *One Dana* Collaboration: a Key Enabler of Differentiated New Program Launch Execution

2024-2026 Sales Backlog: \$950 Million

= EV Program

	2024	2025	2026
MOBILITY MARKET	\$350 \$350	On track to Achieve long-term sales target in 2025 \$650 \$300 \$350	\$950 \$300 \$650
			Global LV OEM



Note: \$ in millions. Backlog includes booked incremental new business net of any lost replacement business

Record Three-year Backlog. Seventh Consecutive Year of Increased Sales Backlog Achieved Through Exceptional Customer Satisfaction and Technology Differentiation

Off-Highway: Hyster-Yale Warehousing Equipment



Electric Vertical Motor Drive Unit (MDU)

New Market Expansion Utilizing Proven Dana Electric Propulsion Technology

Commercial & Construction Equipment: Volvo EV Platforms



Electric Motors



Commercial Vehicle: PACCAR, Traton, Volvo Market Share Gains

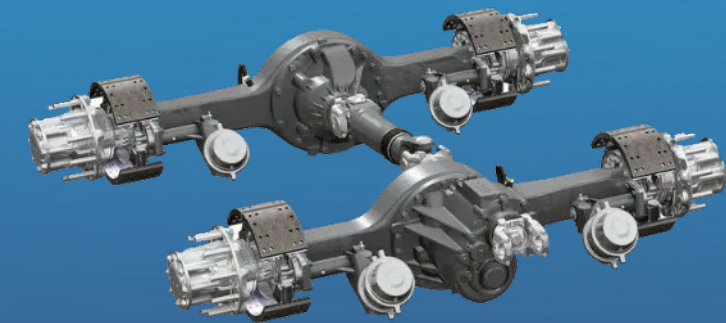
While...

- Navigating the most challenging industrial environment in decades
 - Supply-chain constraints
 - Labor shortages
 - OEM production volatility
- Launching >100 complex, high-volume vehicle platforms, i.e.
 - Ford Super Duty
 - Jeep Wrangler
 - GM Ultium

Over the past 12 months...

- Launched significant incremental driveline volume under compressed timing

Market Share Gains



SPICER[®]

Drivetrain Systems

Dana Commercial Vehicle results...

- Gaining and balancing market share across customers
- Achieved highest sales since 2011, or ~70% increase since 2016
- Positioned for increased sales in 2024

PACCAR



TRATON

GROUP



VOLVO



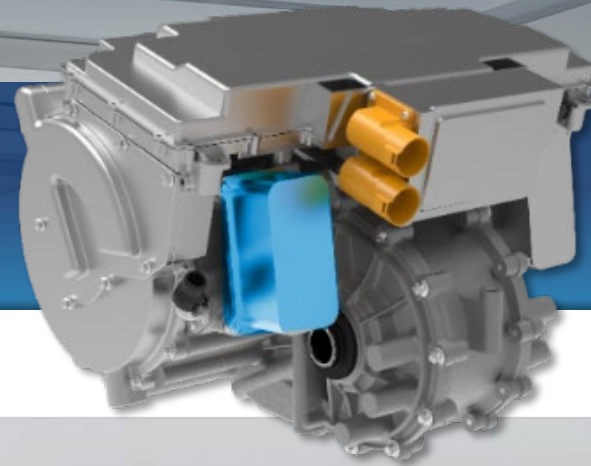
Customer Satisfaction and Across Dana Execution Leading to Incremental Growth

Light Vehicle: Electrification New Business Win EXPANDED!



SPICER
ELECTRIFIED

4-in-1



Dana vertically integrated complete e-Propulsion system

4x content-per-vehicle compared to ICE

NEW Electric SUV Added!



Leveraging Mechanical, Electric, and Thermal Scale Across Platforms and End Markets

Drivers of Continued Profit Expansion

Profit Drivers

- Fixed-cost savings and asset utilization
- Reduced customer schedule volatility



- Refreshed, conquest, and new business growth
- Efficiency improvements



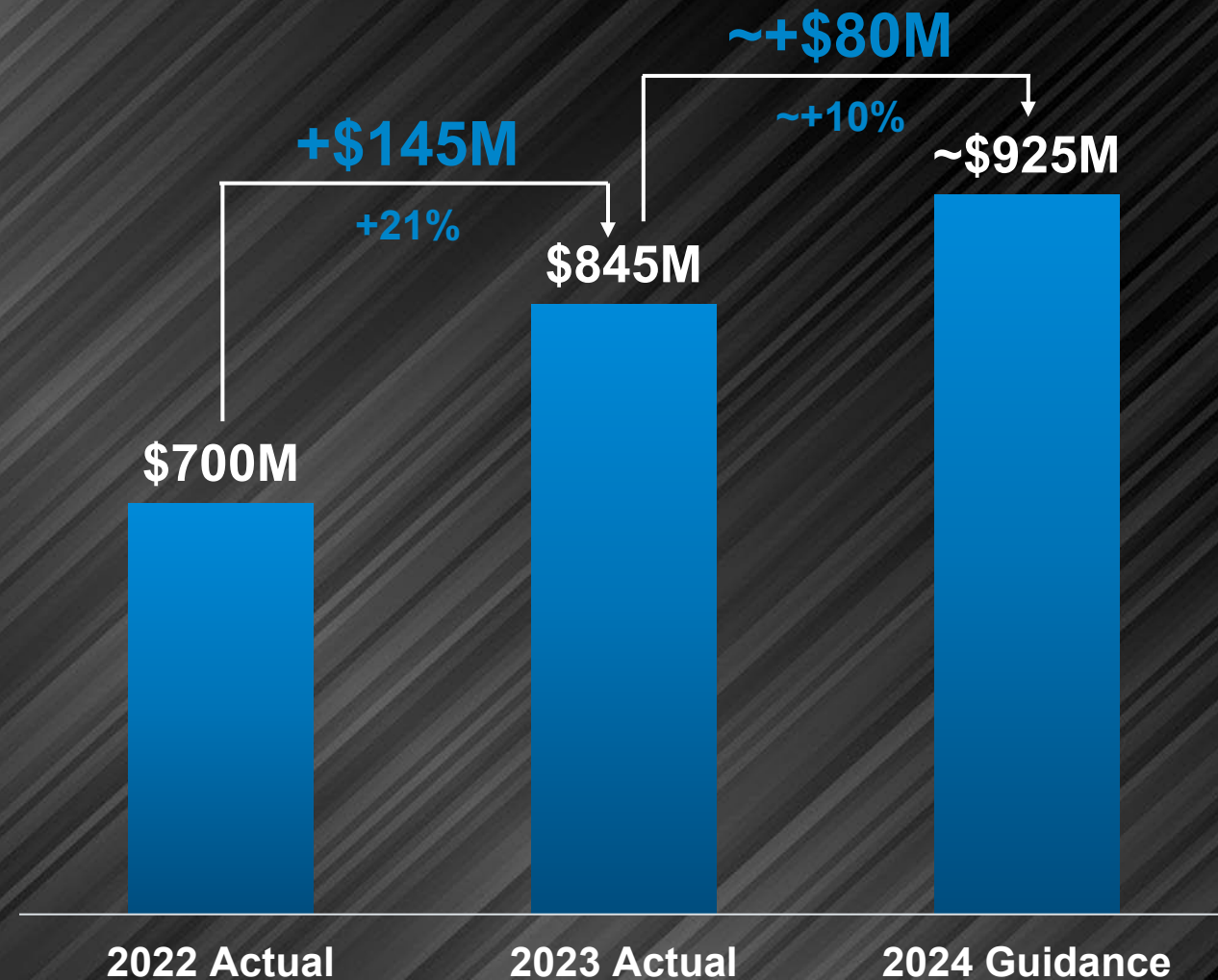
Highest relevance to profit expansion

- Inflation recovery
- Supply chain and product-design savings



Adjusted EBITDA Impact

~+\$225M or ~+32%



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

Company-wide Transformation Continues Drive Toward Long-term Profit Targets



DAN

LISTED

NYSE

Financial Review

Value Others | Inspire Innovation | Grow Responsibly | Win Together

2023 Financial Results

Changes from Prior Year

(\$ in millions, except EPS)

	<u>Q4 '23</u>	<u>Q4 '22</u>	<u>Change</u>	<u>FY '23</u>	<u>FY '22</u>	<u>Change</u>
Sales	\$ 2,494	\$ 2,555	\$ (61)	\$ 10,555	\$ 10,156	\$ 399
Adjusted EBITDA	156	176	(20)	845	700	145
Margin	6.3%	6.9%	(60) bps	8.0%	6.9%	110 bps
EBIT	11	62	(51)	316	86	230
Interest Expense, Net	37	28	9	137	117	20
Income Tax Expense	3	217	(214)	121	284	(163)
Net Income (Loss) (attributable to Dana)	(39)	(179)	140	38	(242)	280
Diluted Adjusted EPS	\$ (0.08)	\$ (0.10)	\$ 0.02	\$ 0.84	\$ 0.37	\$ 0.47
Operating Cash Flow	278	342	(64)	476	649	(173)
Capital Spending	(142)	(140)	(2)	(501)	(440)	(61)
Free Cash Flow	136	202	(66)	(25)	209	(234)

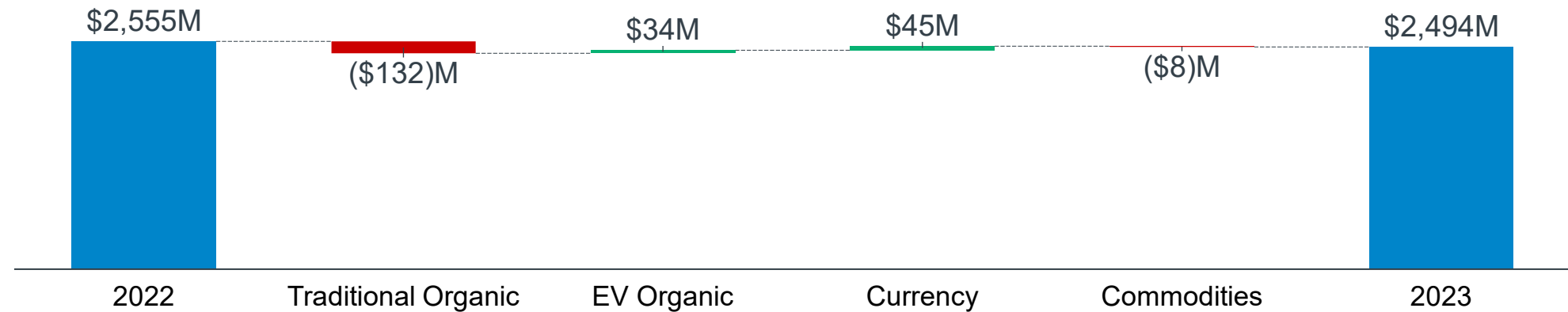
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Sales and Profit Improvement while Continuing to Build for Future Growth

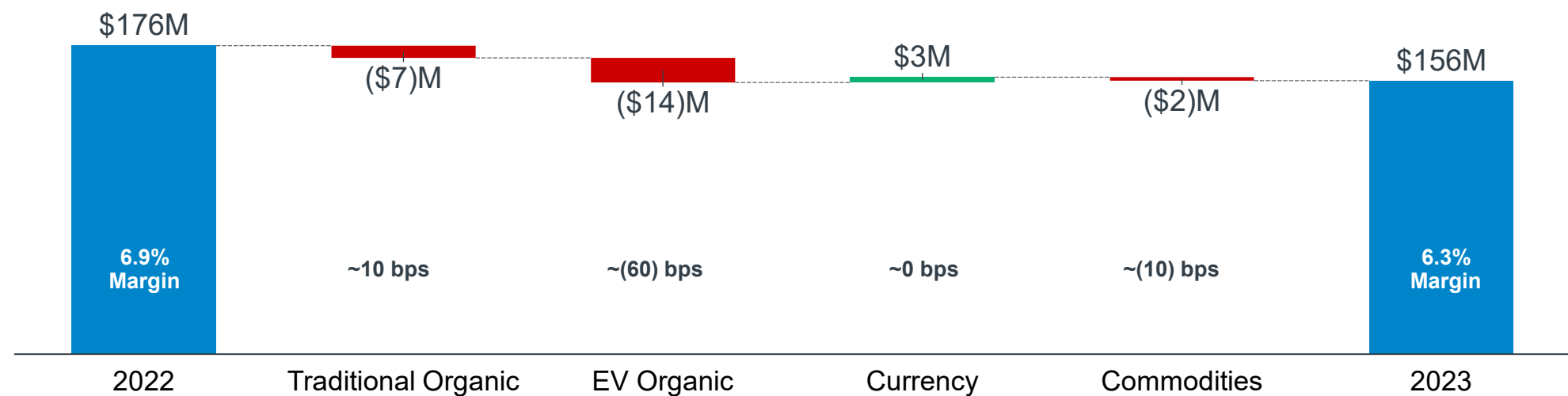
- Lower sales in the fourth quarter driven by impact of UAW strike
- Full-year sales growth primarily due to increased demand in all our end-markets and recovery of cost inflation, partially offset by UAW strike
- Increased production efficiency, operational improvement actions, and more stable customer order patterns drove higher profitability
- 2022 net loss due to Q4 valuation allowance adjustment on U.S. tax assets and Q3 goodwill impairment charge
- Lower FCF driven by higher working capital requirements and higher capital spending

2023 Q4 Sales and Profit Changes

Sales



Adjusted EBITDA

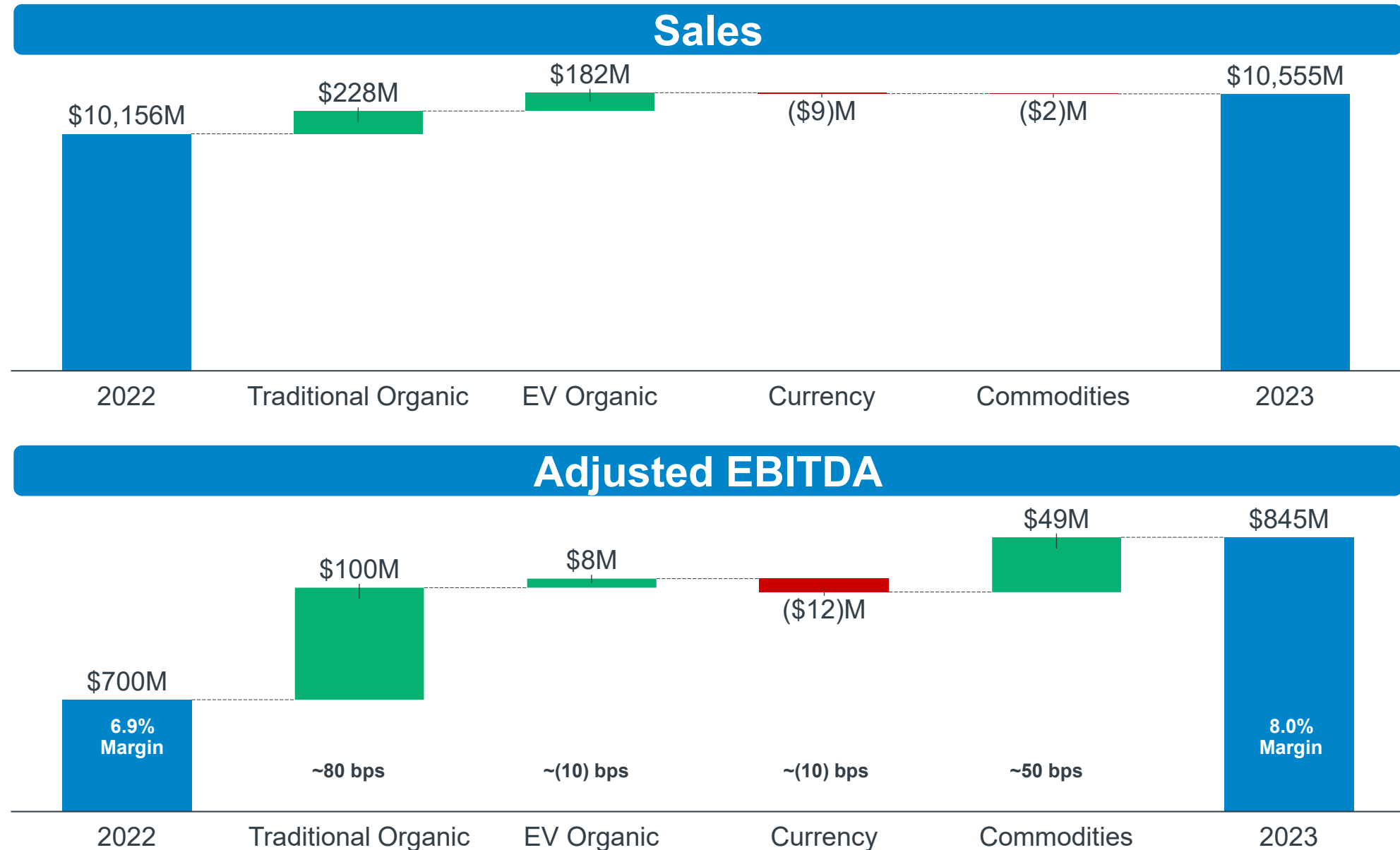


See appendix for comments regarding the presentation of non-GAAP measures



Strike Drove Lower Sales, Company-wide Efficiencies Mostly Offset Profit Impact

2023 FY Sales and Profit Changes



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

Profit Improvement from Refreshed and New Business Growth, Efficiencies, and Lower Commodities

- Organic growth driven by strong sales and pricing actions, partially offset by UAW strike impact
- Cost savings actions, improved efficiency, and customer recoveries more than offset cost inflation
- EV growth remains strong in core heavy-vehicle markets
- Lower spending on EV engineering and related program costs compared to 2022 drove a slight profit benefit
- Translation of foreign currencies to U.S. dollars, primarily the euro, rupee, and baht, was a headwind to sales, profit, and margin
- Lower commodity costs and moderating recoveries benefited margin

2023 FY Free Cash Flow

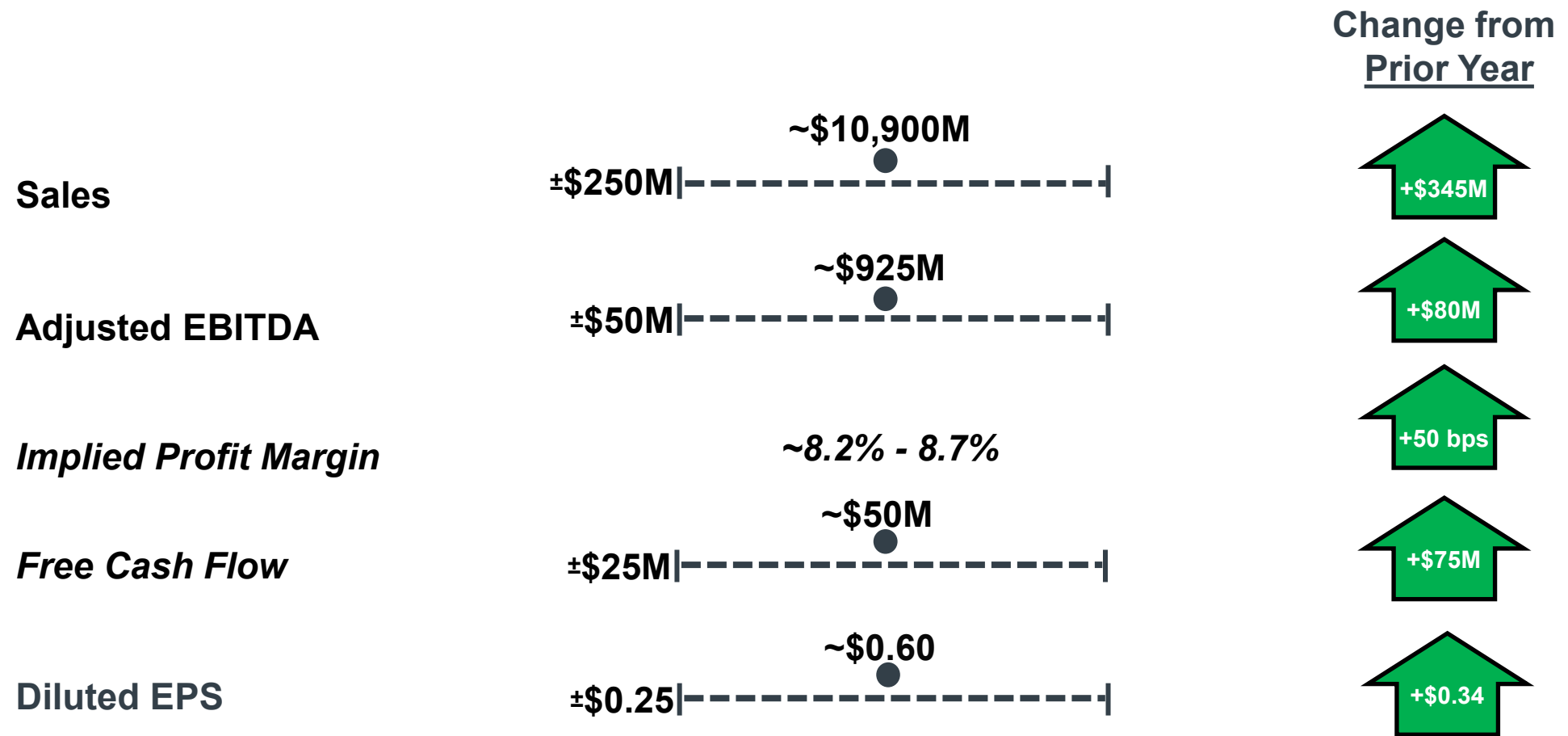
- Higher profit offset by increased working capital requirements and higher capital spending
- Increased working capital requirements due to increased sales and higher launch cadence, and UAW strike
- Higher capital spending to support new business backlog, replacement business, and electrification programs

Changes from Prior Year			
(\$ in millions)			
	<u>2023</u>	<u>2022</u>	<u>Change</u>
Adjusted EBITDA	\$ 845	\$ 700	\$ 145
One-time Costs¹	(20)	(16)	(4)
Interest, Net	(116)	(107)	(9)
Taxes	(148)	(132)	(16)
Working Capital / Other²	(85)	204	(289)
Capital Spending	(501)	(440)	(61)
Free Cash Flow	\$ (25)	\$ 209	\$ (234)

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

2024 FY Financial Guide

Guidance Ranges



- Sales growth driven by new business backlog, improved end-market demand, new/refreshed programs, and market share gains
- Company-wide efficiency improvements drive higher margins
- Free cash flow improvement driven by higher profit, improved working capital efficiency, and lower capital spending
- Free cash flow includes significant capital investment to support market growth and new business in ICE and EV

2024 Currency Assumptions

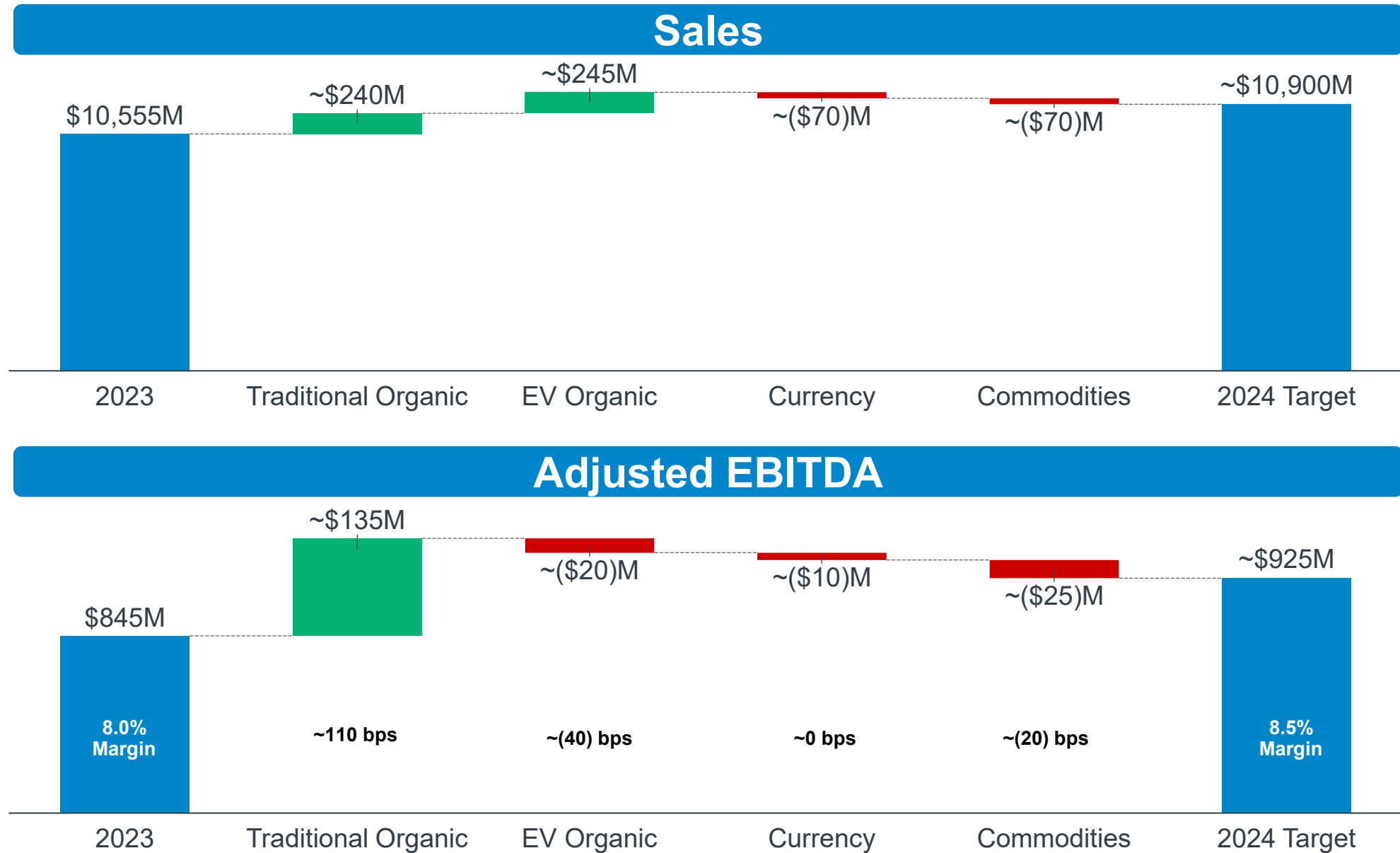
- Euro: 1.07/USD
- Rupee: 82.0/USD
- Real: 5.0/USD
- Baht: 36.0/USD

2024 EPS Assumptions Compared to 2023

- Depreciation & Amortization: Higher
- Net Interest Expense: Higher
- Tax Expense: Lower
- Noncontrolling Interests: Flat

Balanced End-market Demand Growth and Improved Operating Environment

2024 FY Sales and Profit Changes



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

Sales Growth with Improved Profit Driven by Company-wide Efficiencies and Cost Savings

2024 FY Free Cash Flow

- Higher profit and lower capital investment requirements
- Increase in net interest payments due to higher rates and payment timing due to refinancing
- More efficient use of working capital

Changes from Prior Year

(\$ in millions)

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Adjusted EBITDA	\$ ~925	\$ 845	\$ ~80
One-time Costs¹	(40)	(20)	(20)
Interest, Net	(150)	(116)	(35)
Taxes	(160)	(148)	(10)
Working Capital / Other²	(75)	(85)	10
Capital Spending	(450)	(501)	50
Free Cash Flow	\$ ~50	\$ (25)	\$ ~75

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

Positive Free Cash Flow Driven by Higher Profit and Lower Capital Spending



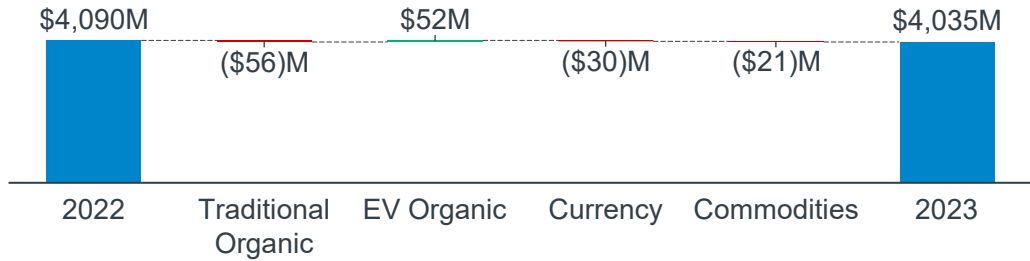
Appendix

2023 FY Sales and Profit Change by Segment

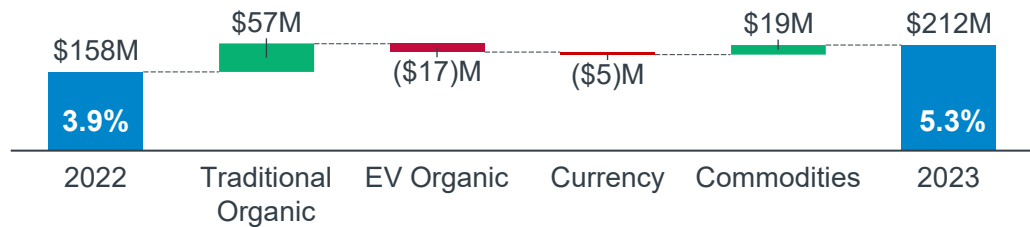


Light Vehicle Drive Systems

Sales

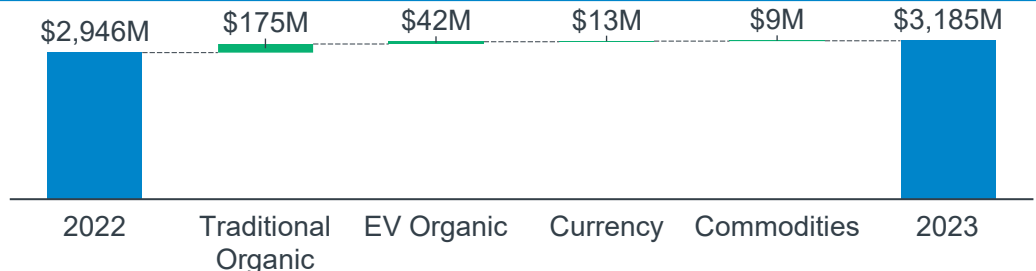


Adjusted EBITDA

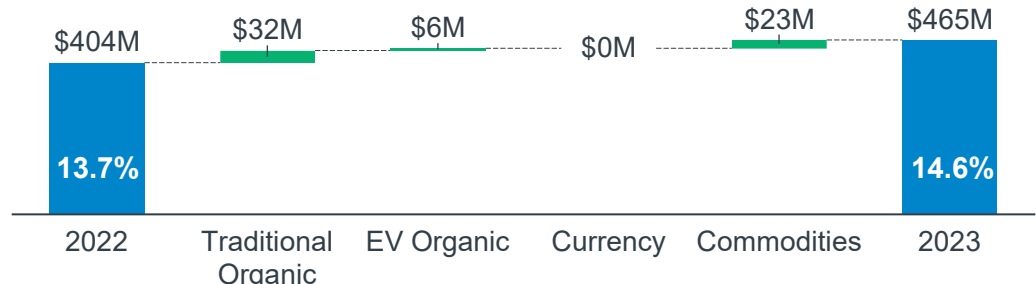


Off-Highway Drive and Motion Systems

Sales

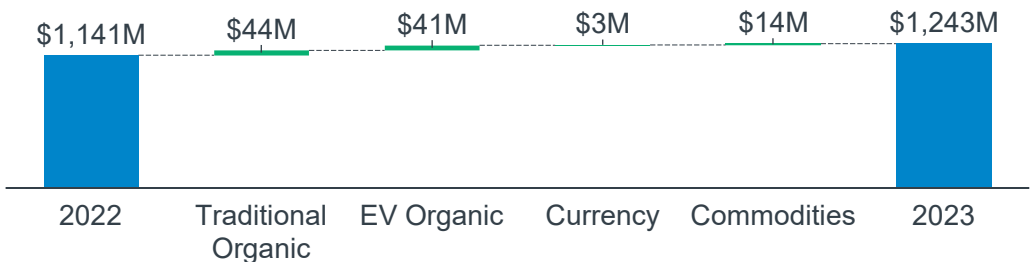


Adjusted EBITDA

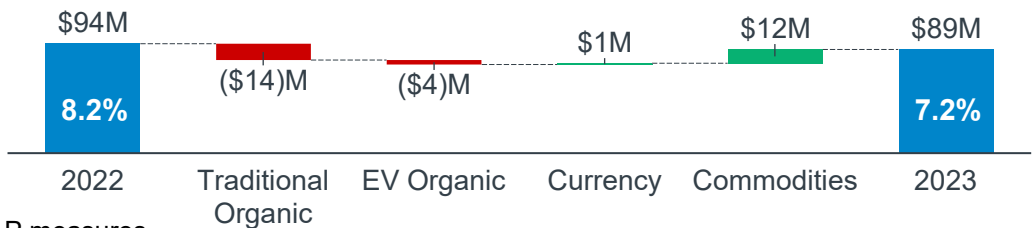


Power Technologies

Sales

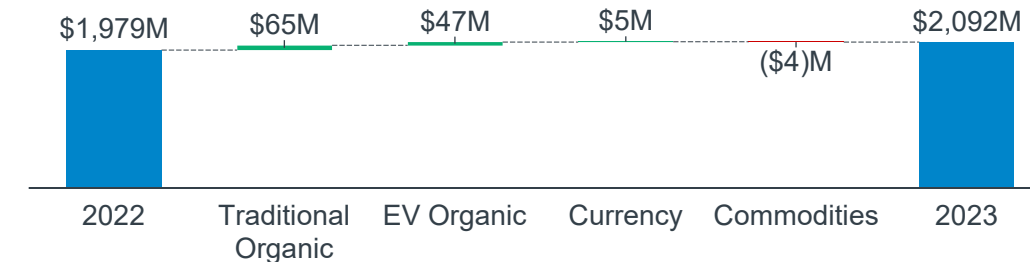


Adjusted EBITDA

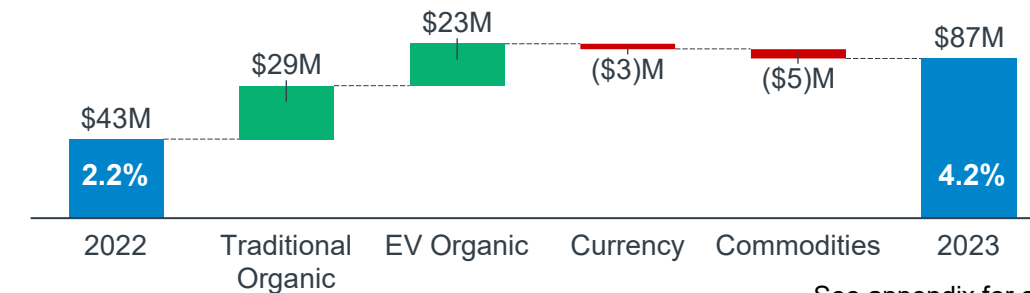


Commercial Vehicle Drive and Motion Systems

Sales



Adjusted EBITDA

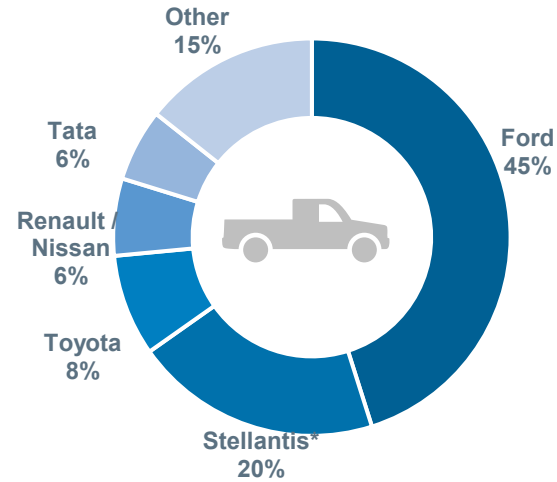


See appendix for comments regarding the presentation of non-GAAP measures

Segment Profiles

Light Vehicle Drive Systems

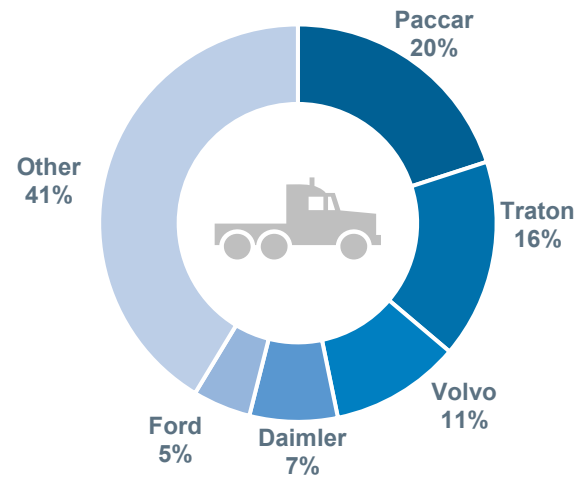
Year to Date 12/31/2023



* Includes sales to systems *integrators* for driveline products in Stellantis vehicles

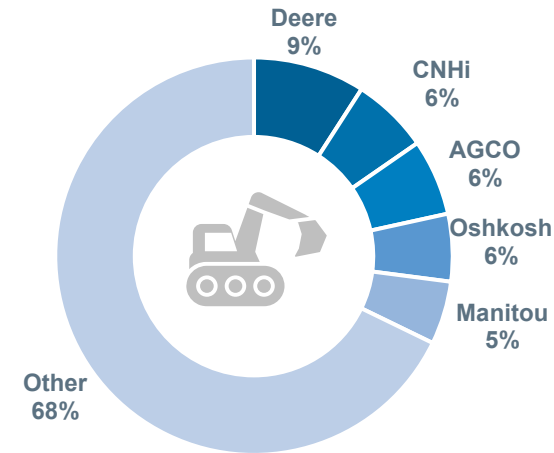
Commercial Vehicle Drive and Motion Systems

Year to Date 12/31/2023



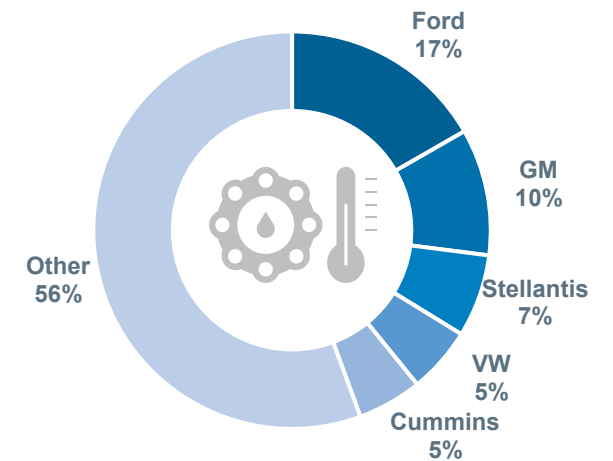
Off Highway Drive and Motion Systems

Year to Date 12/31/2023



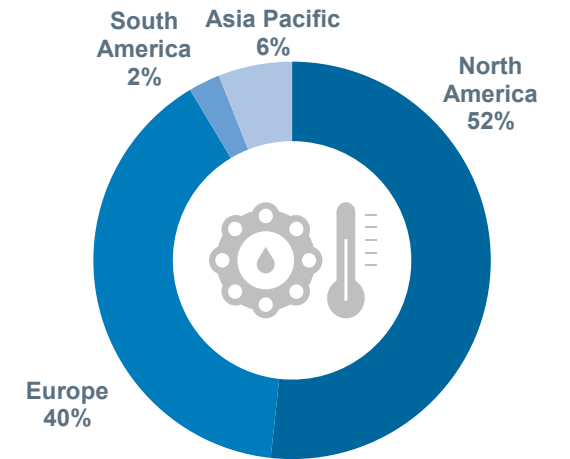
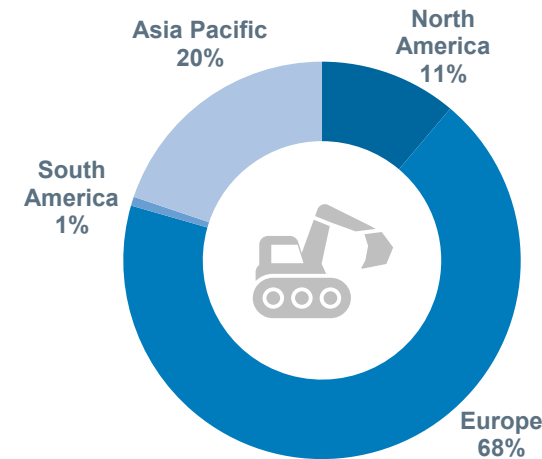
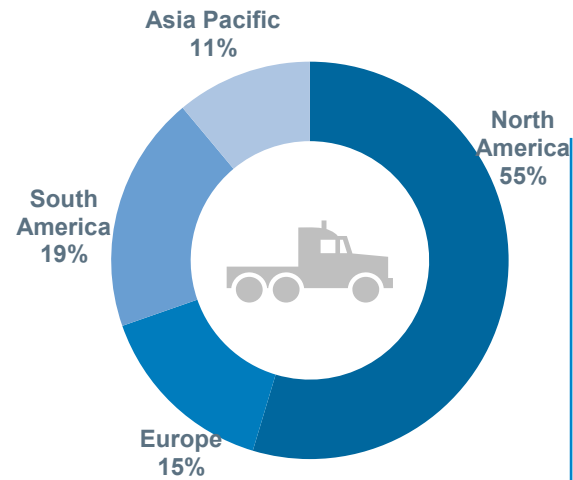
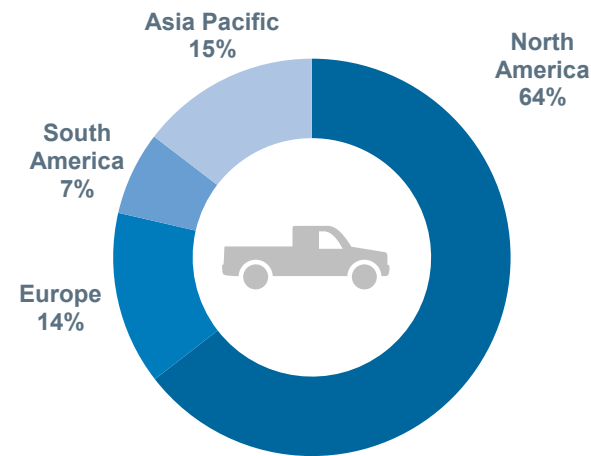
Power Technologies

Year to Date 12/31/2023



CUSTOMER SALES

REGIONAL SALES



Diluted Adjusted EPS

DANA INCORPORATED

Reconciliation of Net Loss Attributable to the Parent Company to Adjusted Net Loss Attributable to the Parent Company and Diluted Adjusted EPS (Unaudited)

For the Three Months Ended December 31, 2023 and 2022

(In millions, except per share amounts)

	Three Months Ended December 31,	
	2023	2022
Net loss attributable to the parent company	\$ (39)	\$ (179)
Items impacting loss before income taxes:		
Amortization	5	5
Restructuring charges, net	3	
Strategic transaction expenses	1	
Distressed supplier costs	18	
Other items	(1)	2
Items impacting income taxes:		
Net income tax benefit on items above	6	2
Income tax expense (benefit) attributable to various discrete tax matters	(4)	155
Adjusted net loss attributable to the parent company	<u>\$ (11)</u>	<u>\$ (15)</u>
Diluted shares - as reported	144.5	143.4
Adjusted diluted shares	144.5	143.4
Diluted adjusted EPS	\$ (0.08)	\$ (0.10)

DANA INCORPORATED

Reconciliation of Net Income (Loss) Attributable to the Parent Company to Adjusted Net Income Attributable to the Parent Company and Diluted Adjusted EPS (Unaudited)

For the Year Ended December 31, 2023 and 2022

(In millions, except per share amounts)

	Year Ended December 31,	
	2023	2022
Net income (loss) attributable to the parent company	\$ 38	\$ (242)
Items impacting income (loss) before income taxes:		
Amortization	20	20
Restructuring charges, net	24	(1)
Strategic transaction expenses	5	8
Distressed supplier costs	44	
Impairment of goodwill		118
Other items	1	2
Items impacting income taxes:		
Net income tax expense on items above	(20)	(8)
Income tax expense attributable to various discrete tax matters	10	157
Adjusted net income attributable to the parent company	<u>\$ 122</u>	<u>\$ 54</u>
Diluted shares - as reported	144.6	143.6
Adjusted diluted shares	144.6	144.3
Diluted adjusted EPS	\$ 0.84	\$ 0.37

Segment Data

DANA INCORPORATED

Segment Sales and Segment EBITDA (Unaudited)

For the Three Months Ended December 31, 2023 and 2022

(In millions)	Three Months Ended December 31,	
	2023	2022
Sales		
Light Vehicle	\$ 923	\$ 1,030
Commercial Vehicle	509	504
Off-Highway	762	740
Power Technologies	300	281
Total Sales	\$ 2,494	\$ 2,555
Segment EBITDA		
Light Vehicle	\$ 22	\$ 34
Commercial Vehicle	13	5
Off-Highway	106	113
Power Technologies	19	23
Total Segment EBITDA	160	175
Corporate expense and other items, net	(4)	1
Adjusted EBITDA	\$ 156	\$ 176

DANA INCORPORATED

Segment Sales and Segment EBITDA

For the Year Ended December 31, 2023 and 2022

(In millions)	Year Ended December 31,	
	2023	2022
Sales		
Light Vehicle	\$ 4,035	\$ 4,090
Commercial Vehicle	2,092	1,979
Off-Highway	3,185	2,946
Power Technologies	1,243	1,141
Total Sales	\$ 10,555	\$ 10,156
Segment EBITDA		
Light Vehicle	\$ 212	\$ 158
Commercial Vehicle	87	43
Off-Highway	465	404
Power Technologies	89	94
Total Segment EBITDA	853	699
Corporate expense and other items, net	(8)	1
Adjusted EBITDA	\$ 845	\$ 700

Segment Data Continued

DANA INCORPORATED

Reconciliation of Segment and Adjusted EBITDA to Net Loss (Unaudited) For the Three Months Ended December 31, 2023 and 2022

(In millions)	Three Months Ended	
	December 31,	
	2023	2022
Segment EBITDA	\$ 160	\$ 175
Corporate expense and other items, net	(4)	1
Adjusted EBITDA	156	176
Depreciation	(106)	(95)
Amortization	(6)	(6)
Non-service cost components of pension and OPEB costs	(3)	(4)
Restructuring charges, net	(4)	
Stock compensation expense	(7)	(6)
Strategic transaction expenses	(1)	(2)
Distressed supplier costs	(18)	
Amounts attributable to previously divested/closed operations		(2)
Other items		1
Earnings before interest and income taxes	11	62
Interest income	3	5
Interest expense	40	33
Earnings (loss) before income taxes	(26)	34
Income tax expense	3	217
Equity in earnings (loss) of affiliates	(15)	5
Net loss	\$ (44)	\$ (178)

DANA INCORPORATED

Reconciliation of Segment and Adjusted EBITDA to Net Income (Loss) For the Year Ended December 31, 2023 and 2022

(In millions)	Year Ended	
	December 31,	
	2023	2022
Segment EBITDA	\$ 853	\$ 699
Corporate expense and other items, net	(8)	1
Adjusted EBITDA	845	700
Depreciation	(393)	(365)
Amortization	(23)	(23)
Non-service cost components of pension and OPEB costs	(13)	(7)
Restructuring charges, net	(25)	1
Stock compensation expense	(26)	(19)
Strategic transaction expenses	(5)	(8)
Distressed supplier costs	(44)	
Amounts attributable to previously divested/closed operations		(2)
Impairment of goodwill		(191)
Earnings before interest and income taxes	316	86
Loss on extinguishment of debt	(1)	
Interest income	17	11
Interest expense	154	128
Earnings (loss) before income taxes	178	(31)
Income tax expense	121	284
Equity in earnings (loss) of affiliates	(9)	4
Net income (loss)	\$ 48	\$ (311)

Cash Flow



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

(In millions)

	Three Months Ended December 31,	
	2023	2022
Net cash provided by operating activities	\$ 278	\$ 342
Purchases of property, plant and equipment	(142)	(140)
Free cash flow	<u>\$ 136</u>	<u>\$ 202</u>

	Year Ended December 31,	
	2023	2022
Net cash provided by operating activities	\$ 476	\$ 649
Purchases of property, plant and equipment	(501)	(440)
Free cash flow	<u>\$ (25)</u>	<u>\$ 209</u>



People Finding A Better Way[®]



Non-GAAP Financial Information

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

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

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

Free cash flow is a non-GAAP financial measure which we have defined as net cash provided by (used in) operating activities less purchases of property, plant and equipment. We believe free cash flow is useful to investors in evaluating the operational cash flow of the company inclusive of the spending required to maintain the operations. Free cash flow is not intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported in accordance with GAAP. Free cash flow may not be comparable to similarly titled measures reported by other companies.

The accompanying financial information provides reconciliations of adjusted EBITDA, diluted adjusted EPS and free cash flow to the most directly comparable financial measures calculated and presented in accordance with GAAP. We have not provided a reconciliation of our adjusted EBITDA and diluted adjusted EPS outlook to the most comparable GAAP measures of net income (loss) and diluted EPS. Providing net income (loss) and diluted EPS guidance is potentially misleading and not practical given the difficulty of projecting event driven transactional and other non-core operating items that are included in net income (loss) and diluted EPS, including restructuring actions, asset impairments and certain income tax adjustments. The accompanying reconciliations of these non-GAAP measures with the most comparable GAAP measures for the historical periods presented are indicative of the reconciliations that will be prepared upon completion of the periods covered by the non-GAAP guidance.