



# Wolfe Research Global Auto, Auto Tech and Mobility Conference

February 26, 2020

**Mark Wallace**

President of Commercial Vehicle Drive and Motion Systems

*People Finding A Better Way<sup>®</sup>*



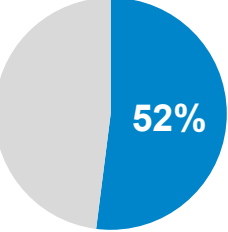



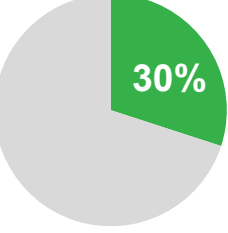



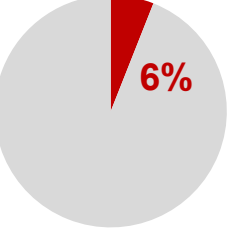

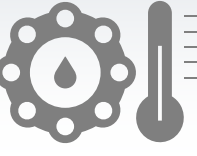
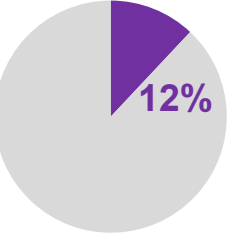





# Safe Harbor Statement

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.

# Business Overview

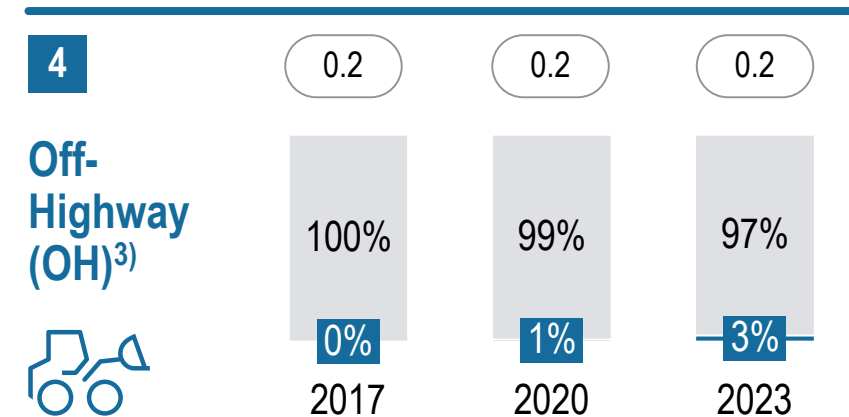
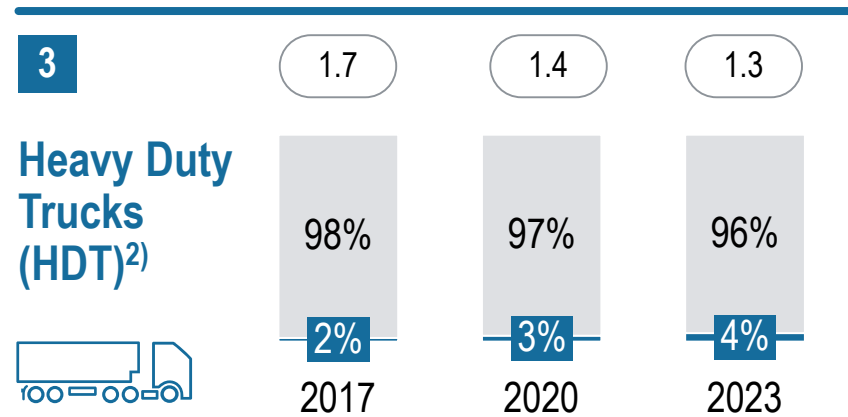
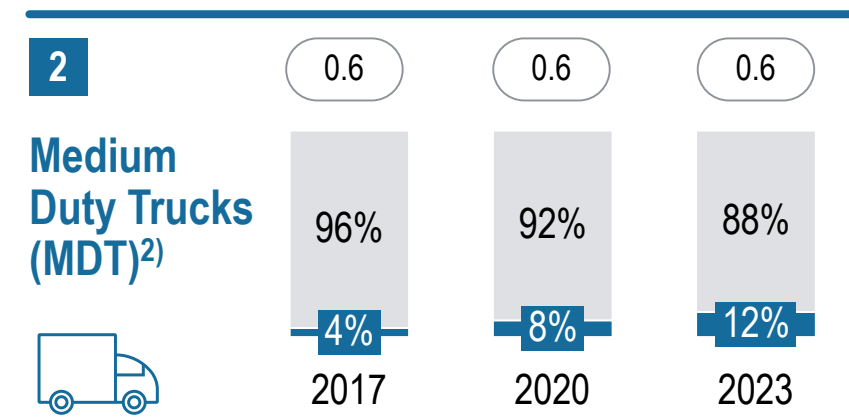
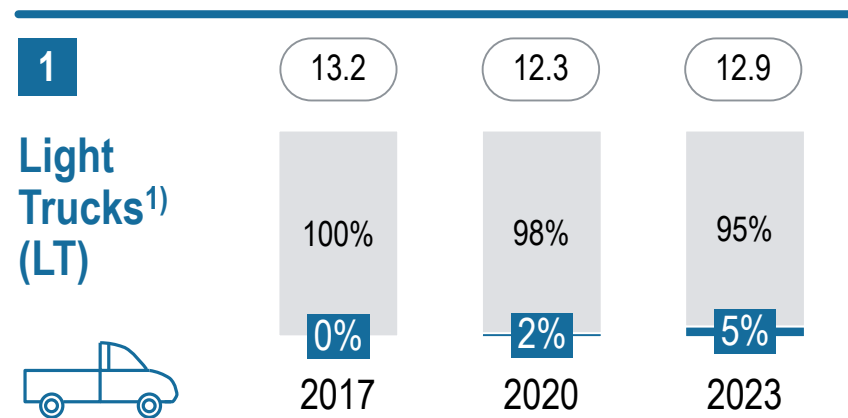


Markets	Segments	Regions	Technologies	Products
<b>Light Vehicles</b> 	<b>Light Vehicle Drive Systems</b> <b>42%</b> 	<b>North America</b> 	 Drive	Axles, e-Axles, e-Drives, propshafts / driveshafts, conventional and hybrid transmissions, wheel and track drives, high-precision gears
<b>Heavy Vehicles</b> 	<b>Off-Highway Drive and Motion Systems</b> <b>27%</b> 	<b>Europe</b> 	 Motion	Winches, slew drives, gearboxes, hydraulics, valves, custom gear and drives, controls and software, hub drives
<b>Off-Highway</b> 	<b>Commercial Vehicle Drive and Motion Systems</b> <b>19%</b> 	<b>South America</b> 	 Electrodynamic	Motors, inverters, controls and software, chargers, electrified power cradle, battery management system, fuel cell plates
	<b>Power Technologies</b> <b>12%</b> 	<b>Asia Pacific</b> 	 Thermal	Transmission and engine oil cooling; battery, motor, and electronics cooling; charge air cooling; active warm-up; thermal-acoustical protective shielding
			 Sealing	Cam covers, oil pan modules, engine gaskets and seals, transmission gaskets and seals, transmission separator plates
			 Digital	Active and passive system controls, descriptive and predictive analytics

# Electric Vehicle Market Growth

## Total volumes and electrification by core segment

[m units, %]

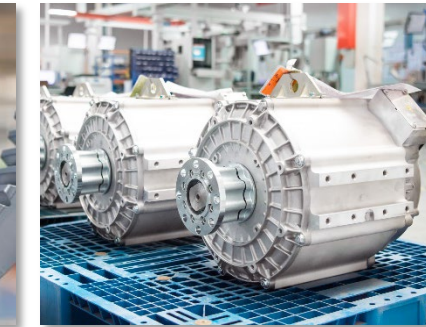
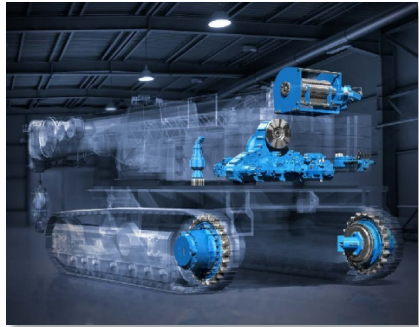


xx Total sales volumes, Units [EU, NA, CN] ■ Electrified vehicles (FH/PHEV/BEV/FCV)

1) Mini/Compact/Full-Size Full-Frame vehicles and large unibody vehicles – Vans (segments C/D/E) and MPVs (segments C/D); 2) CV volumes included for North America, EU & China; 3) OH figures are global and include construction equipment and mining vehicles with high-voltage propulsion systems



# 7 Electrification Acquisitions since 2017



**brevini**

February 2017

**tm4**

July 2018

**SME**

January 2019

**oerlikon**  
drive systems

March 2019

**Prestolite tm4**  
e-Propulsion 电驱动

July 2019

**nordresa**

August 2019

**Ashwoods**  
ELECTRIC MOTORS

February 2020

- Expands product portfolio for off-highway market to include tracked vehicles
- Significantly broadens opportunities in industrial market
- Accelerates hybridization and electrification initiatives
- Includes:



- Motors and inverters complement Dana's e-Drive
- Complete system capabilities
- In production today with over 14,000 units in operation

- Low voltage AC motors, inverters, and controls
- Complements TM4 and Oerlikon acquisitions

- Products, controls, and software across electric drive systems
- Precision helical gears
- CV Low Floor Bus Axles
- Includes:

**FAIRFIELD**  
**GRAZIANO**  
**VOCIS**

- Motors and inverters complement Dana's e-Drive
- Further develop activities in China, the fastest-growing market for EVs

- Class 4 – 8 custom BEV integration
- Complete, turnkey solutions
- Strong expertise in BEV software, controls, and BMS

- Interior Permanent Magnet motors used to provide traction motors, pump motors, and generator systems in light vehicle and off-highway applications
- Specializing in motor design and optimization, mechanical integration, and testing

# Vehicle Integration Competency

**Zenith Van**  
eS4500i



- **32.5 kg** system weight
- **Greater than 97%** efficiency
- Reduction ratios from **7.71 to 14.88**  
*vs. competitive gearbox*

**Workhorse Van**  
eS9000r



- **176 kg** weight reduction
- **8%** less energy consumption
- Improved vehicle packaging  
*vs. central motor*

**Peterbilt 220**  
SUMO MD



- Turnkey electric chassis
- **67%** energy cost savings
- **40%** reduction in GHG  
*vs. ICE powertrain*

**Hyliion Tractor**  
eS6200r



- **Weight savings** APU credit
- **Up to 27%** fuel savings
- 6x4 tractive effort  
*vs. diesel tractor*

**Ford F550**  
eS9000r



- Range of up to **90 miles**
- Peak power of **226 kW**
- Grade startability of **20%**

**Isuzu NPR**  
eS9000r



- Range of up to **110 miles**
- Peak power of **226 kW**
- Grade startability of **20%**

**Lonestar Terminal Tractor**  
SUMO MD



- Up to 22 hrs. of continuous operation
- Only 2 hrs. required for full battery re-charge
- DC fast charging capability



# Electrification Snapshot

## Complete e-Propulsion system capabilities for hybrid and electric vehicles.

**50+**

years of electrification  
expertise

**315+**

electrification-focused  
engineers

**500+**

electrification patents  
held and pending

More than **160,000** metric tons of CO<sub>2</sub> saved since 2014.

**600M+**

customer miles driven  
with Dana TM4 motors



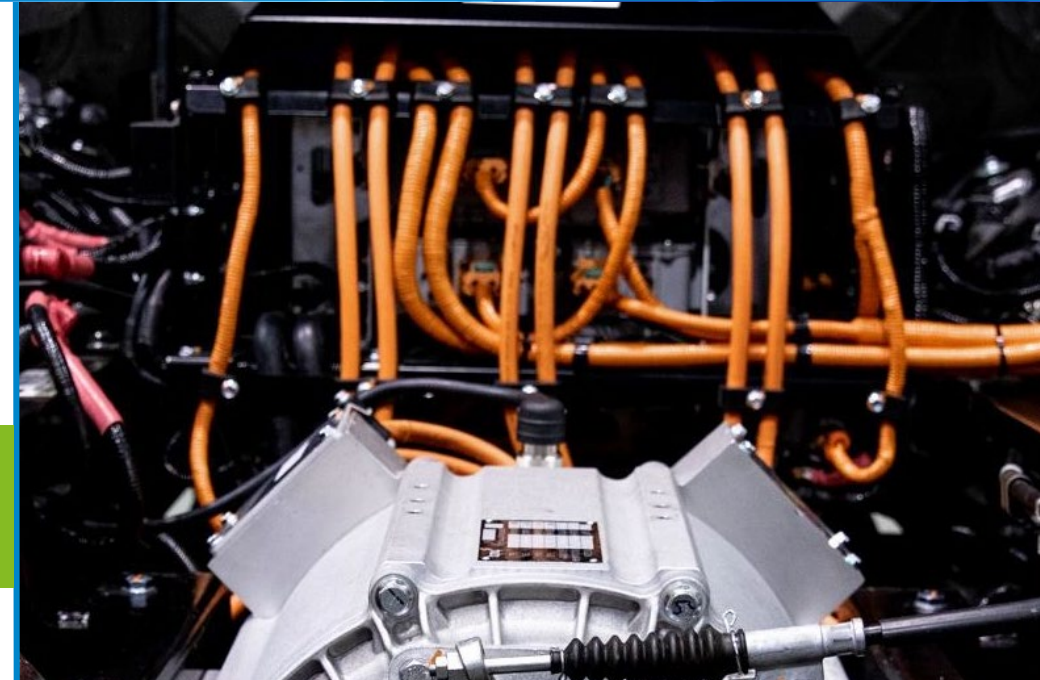
**16,000+**

vehicles in service  
on the road today



**1M+**

metric tons of CO<sub>2</sub>  
diverted from cities



**Leading the Charge  
on Sustainability**

Enabling our customers  
to achieve their  
sustainability objectives



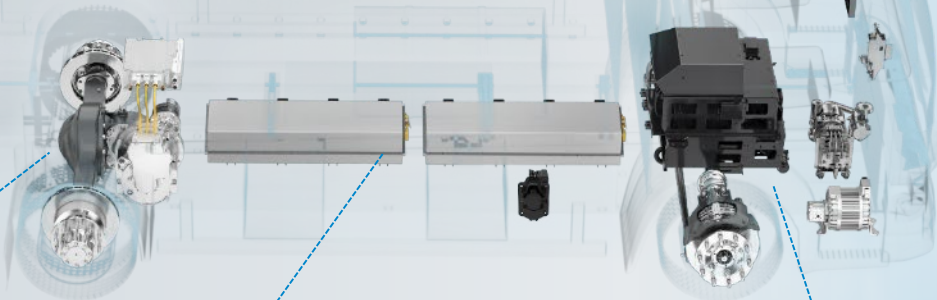
# e-Powertrains



## PACCAR Medium-duty Electric Truck Program

### Complete Dana e-Powertrain:

- Electrodynamic components
- Vehicle integration
- Embedded software and controls



**e-Drive Axle**  
Electric Motor,  
Inverter, & Gears

**Power Pack**  
Battery Modules, Thermal  
Management, & Battery  
Management System

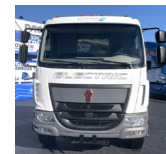
**Power Cradle**  
Electric Charger,  
Converter, & Auxiliaries



**Kenworth Announces Collaboration with Dana  
on Electric Truck Powertrain Development**

*Kenworth Features K270E Battery Electric  
Vehicle and Level 4 Autonomous T680  
in PACCAR Booth at 2020 CES*

LAS VEGAS, Nevada – Kenworth and Dana



- **\$200M** incremental sales
- 3-year program, launching this year

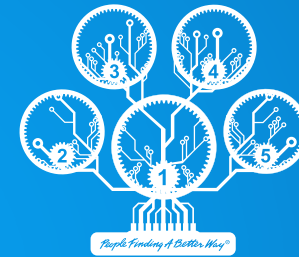




**Continued Strong  
Financial Results**



**Solid New  
Business Backlog**



**Advancing Enterprise  
Strategy**



**Increasing  
Shareholder Value**

*People Finding A Better Way®*



# Appendix



# Non-GAAP Financial Information

Adjusted EBITDA is a non-GAAP financial measure which we have defined as net income 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 before income taxes, net income or other results reported in accordance with GAAP. Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

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

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

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