



# Dana Holding Corporation

## 2015 Fourth-Quarter Earnings Conference Call

*February 18, 2016*

Honesty & Integrity

Good Corporate Citizen

Open Communication

Continuous Improvement



*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.*



- ▶ Introduction  
Craig Barber  
*Director,  
Investor Relations*
- ▶ Business Update  
James Kamsickas  
*President and  
Chief Executive Officer*
- ▶ Financial Review  
Rod Filcek  
*Senior Vice President  
and Interim Chief Financial Officer*
- ▶ Q&A Session  
Includes:  
George Constand  
*Vice President and  
Chief Technical and Quality Officer*

# 2015 Highlights



**Sales of \$6.060 billion**

**Net Income of \$159 million**

**Diluted Adjusted EPS: \$1.74**

**Adjusted EBITDA of \$652 million**

▶ **10.8% Margin**

**Free Cash Flow of \$146 million**

**Significant Shareholder Return**

- ▶ '15 repurchases: \$311 million
- ▶ \$1.4 billion returned to date\*
- ▶ Authorized \$300 million '16-'17

**Successful Product Launches**

**Continued to Win New Business**

▶ **Backlog up 10% to \$750 million**

**15 Customer Recognition Awards**



\*Program inception through 12/31/15



# Dana Products Driving Award-Winning Vehicles Light Vehicle Driveline and Power Technologies



## 2016 Motor Trend Car and Truck of the Year



## Five of Ward's 2016 Ten Best Engines



## 2016 North American Car of the Year



HONDA



## 2016 Green Car of the Year



CHEVROLET



NISSAN



RAM



## Why Disconnecting All-Wheel Drive (AWD) is Important



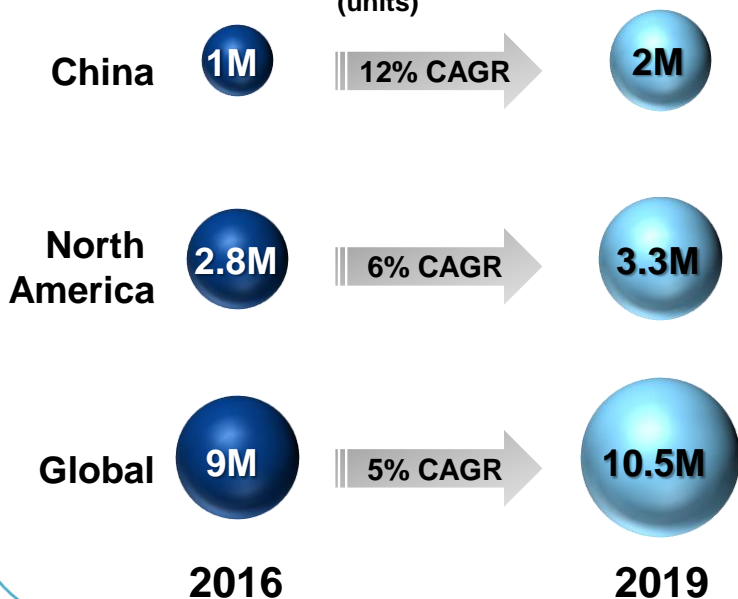
Customers increasingly require improved safety and traction control. However traditional AWD systems are less fuel efficient than front wheel drive (FWD) vehicles.



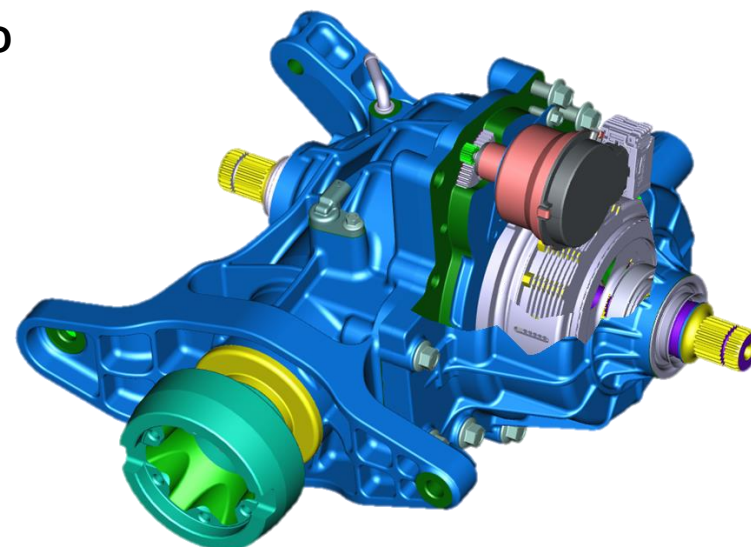
Rapid connect and disconnecting AWD systems improve fuel efficiency to be more in line with FWD vehicles.

### All-Wheel-Drive Market Growth

(units)



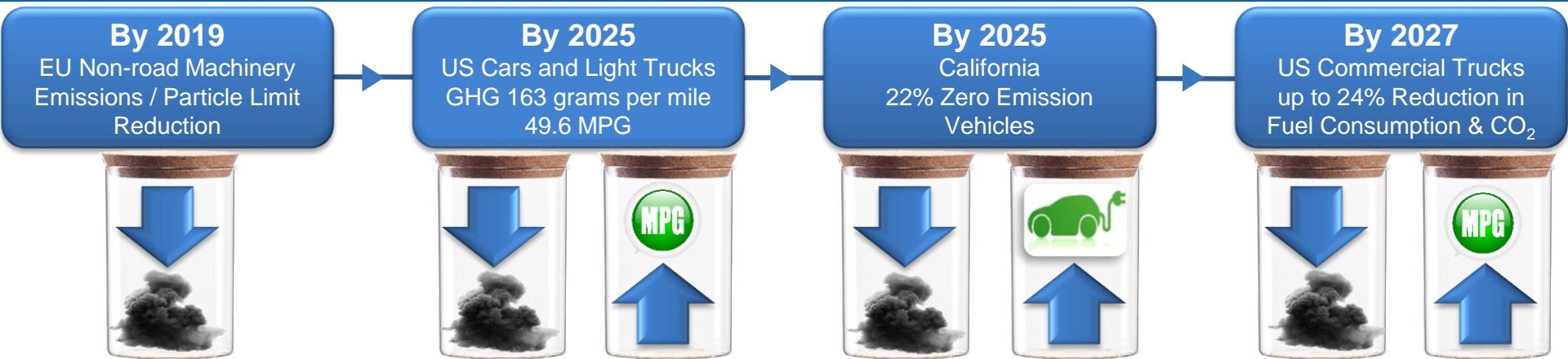
## AdvanTEK<sup>®</sup> Disconnecting AWD Unit



Dana has been sourced on largest known global disconnecting All-Wheel-Drive program

# Technologies to Meet Sustainability Regulations

(includes proposed standards)



## Dana Technologies

Spicer® AdvanTek® Disconnecting AWD



VariGlide® CVP



Spicer® AdvanTek® Dual Range Disconnect



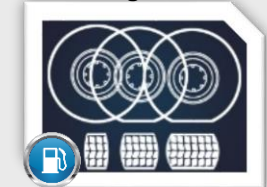
Long® Electronics Cooling



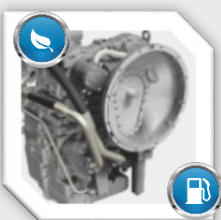
Long® Battery Cooling



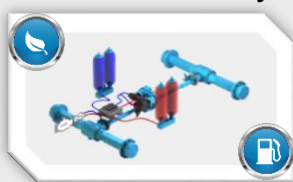
Spicer® Tire Pressure Management



Dana Rexroth Hydromechanical Variable Transmissions



Spicer® Power Boost™ System



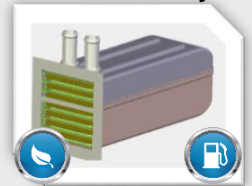
Long® Axle Warmer



Victor Reinz® Fuel Cell Bi-Polar Plates



Long® Exhaust Gas Heat Recovery



Driveline, Transmission, Engine/Propulsion/Battery & Environmental Systems



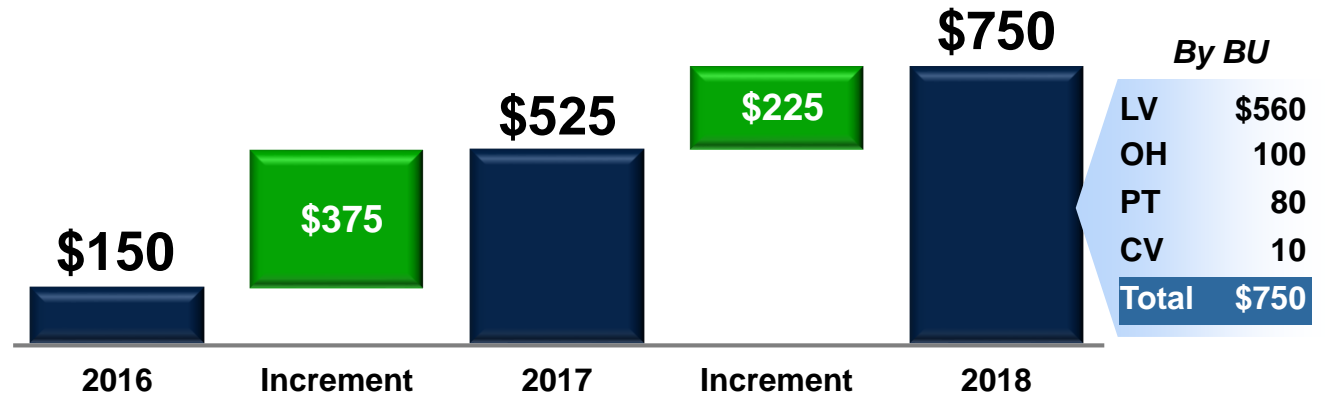
# \$750M Sales Backlog – 10% Increase



(\$ in millions)

## 2016 - 2018 Sales Backlog Flow by Year

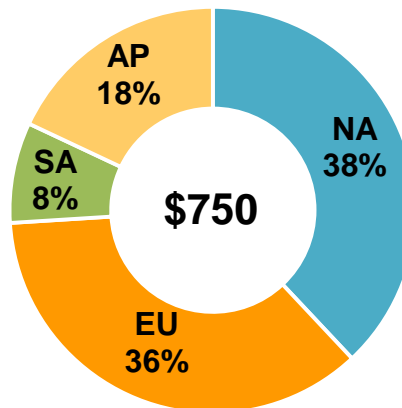
***New business wins increased sales backlog, positioning Dana to outgrow the market***



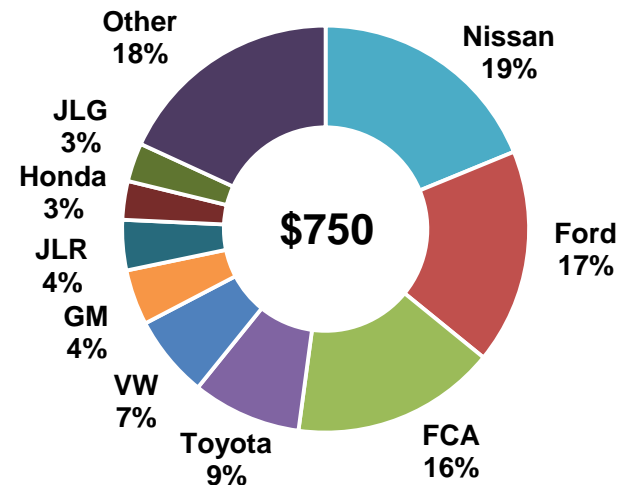
*By BU*

LV	\$560
OH	100
PT	80
CV	10
<b>Total</b>	<b>\$750</b>

### By Region



### By Customer



- ▶ Incremental new business with 130+ customers across all business units
- ▶ Net increase of 10% or \$70 over updated 2015 backlog
- ▶ New business won while maintaining financial discipline





## *North America*

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- ▶ **Light vehicle remains strong**
  - ▶ *Light truck mix positive*
- ▶ **Lower demand for class 8 commercial vehicles**
- ▶ **Flat demand for off-highway vehicles**

## *Europe*

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- ▶ **Improving passenger car demand will benefit Power Technologies**
- ▶ **Generally flat demand for off-highway and commercial vehicles**
- ▶ **FX headwinds continue**

## *South America*

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- ▶ **Continued economic uncertainty**
  - ▶ *Argentina: New light vehicle business offsetting FX & market*
  - ▶ *Brazil: Flat commercial-vehicle market, but FX headwinds continue*

## *Asia Pacific*

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- ▶ **Modest Growth**
  - ▶ *India: Commercial Vehicle and Light Vehicle Driveline*
  - ▶ *Thailand: Light Vehicle Driveline*
- ▶ **China demand flat**
  - ▶ *Light Vehicle; Off-Highway*

**Markets Mostly Flat; New Business Mostly Offsetting Currency Headwinds**

# Key Product Launches in 2016



**L  
V  
D**

**Ford** **NISSAN** **GM**

Super Duty Titan Colorado/Canyon

**P  
T  
G**

**Ford** **GM** **HONDA**

F-150 Silverado/Sierra Civic

**O  
H  
D**

**TEREX**

Teleboom Handlers

North America

**L  
V  
D**

**JAGUAR** **JAGUAR** **NISSAN**

F-Pace XE/XF Navara SUV

**P  
T  
G**

**LAND ROVER**

F-Pace

**O  
H  
D**

**DEUTZ** **CLAAS**

6-11 A7X

Europe

**L  
V  
D**

**BAIC** **NISSAN** **NISSAN**

B40L Navara Navara SUV

**L  
V  
D**

**DFY** **FAW**

DM5 CN131

**C  
V  
D**

**SHARATBENZ**

914

**P  
T  
G**

**Subaru** **Ford**

Imreza Mondeo

**O  
H  
D**

**SANY**

5T

Asia

**L  
V  
D**

**TOYOTA**

HiLux

South America

**P  
T  
G**

**FIAT**

GSE

**L  
V  
D**

**TOYOTA**

HiLux

South Africa

OVER  
**\$800**  
million  
IN ANNUAL REVENUE

- LVD: Light Vehicle Driveline
- CVD: Commercial Vehicle Driveline
- PTG: Power Technologies Group
- OHD: Off Highway Driveline



## Magnum Gaskets aftermarket product portfolio

- ▶ Third largest gasket brand in the U.S. & Canada
- ▶ Experienced and successful Magnum management team
- ▶ New commercial channels for Dana
- ▶ Portfolio addresses >90% of N.A. vehicles

### *Strategic Alignment*

<u>Dimension</u>	<u>Yes</u>	<u>No</u>	
Product	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Establishes Dana value line product offering
Geographic	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Increases North American penetration
Customer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Incremental 150 customers



- ▶ **Enhance competitive position and grow our core business**
  - ▶ Relentless focus on customer satisfaction
  - ▶ Sustain investment in innovative technologies and differentiated products
  - ▶ Continue to grow organically
  - ▶ Consider complementary inorganic opportunities
  
- ▶ **Continue driving profit margin improvement**
  - ▶ Accelerate lean manufacturing initiatives to eliminate waste and reduce cost
  - ▶ Ensure seamless launch of new business programs
  - ▶ Improve CV while continuing strong performance in LV, OH, and PT
  
- ▶ **Maintain a strong balance sheet**
  - ▶ Continue capital investment discipline to drive returns
  - ▶ Retain flexibility to take advantage of new opportunities
  - ▶ Return excess capital to shareholders





# Financial Review

## 2015 Fourth Quarter and Full Year

Honesty & Integrity

Good Corporate Citizen

Open Communication

Continuous Improvement

# Financial Results – 2015 Fourth Quarter



(\$ in millions, except EPS)

## Fourth Quarter

	2015	2014	Change
<b>Sales</b>	<b>\$ 1,375</b>	<b>\$ 1,582</b>	<b>\$ (207)</b>
<b>Adjusted EBITDA</b>	<b>129</b>	<b>178</b>	<b>(49)</b>
<b>Margin</b>	<b>9.4%</b>	<b>11.3%</b>	<b>(190) bps</b>
<b>Income (Loss) from Cont Op Before Int Exp</b>	<b>73</b>	<b>(22)</b>	<b>95</b>
<b>Income Tax Benefit (Expense)</b>	<b>(92)</b>	<b>166</b>	<b>(258)</b>
<b>Net Income (Loss)</b> <i>(attributable to Dana)</i>	<b>(82)</b>	<b>109</b>	<b>(191)</b>
<b>Diluted Adjusted EPS</b>	<b>\$ 0.34</b>	<b>\$ 0.53</b>	<b>\$ (0.19)</b>
<b>Capital Spend<sup>1</sup></b>	<b>68</b>	<b>65</b>	<b>3</b>
<b>Free Cash Flow</b>	<b>72</b>	<b>118</b>	<b>(46)</b>

<sup>1</sup> 2014 adjusted to conform with 2015 presentation that excludes unpaid capital spend

## Fourth Quarter Items

### Pre-Tax Items

Item	2015	2014
Asset Impairment	\$0	\$(80)
Pension Settlement	0	(42)
Debt Refinancing	0	(19)
<b>Total</b>	<b>\$0</b>	<b>\$(141)</b>

### After-Tax Items

Item	2015	2014
Tax Items	\$(79)	\$179
Asset Impairment	(39)	3
<b>Total</b>	<b>\$(118)</b>	<b>\$182</b>
<b>Total 4<sup>th</sup> Qtr. Items</b>	<b>\$(118)</b>	<b>\$41</b>

- ▶ **\$(159) million impact to Q4 2015 net income from above items when compared to Q4 2014**
- ▶ **2015 Q4 net income adjusted for above items was \$36 million compared to \$68 million in 2014**

# Fourth-Quarter Sales and Adjusted EBITDA



(\$ in millions)

## Fourth Quarter

	2015	2014	Change
<b>Sales</b>	<b>\$ 1,375</b>	<b>\$ 1,582</b>	<b>\$ (207)</b>
<b>Adjusted EBITDA</b>	<b>\$ 129</b>	<b>\$ 178</b>	<b>\$ (49)</b>
<b>Adjusted EBITDA Margin</b>	<b>9.4%</b>	<b>11.3%</b>	<b>(190) bps</b>

### Light Vehicle Driveline

2015	2014
11.5%	11.7%

### Commercial Vehicle Driveline

2015	2014
-0.7%	7.9%

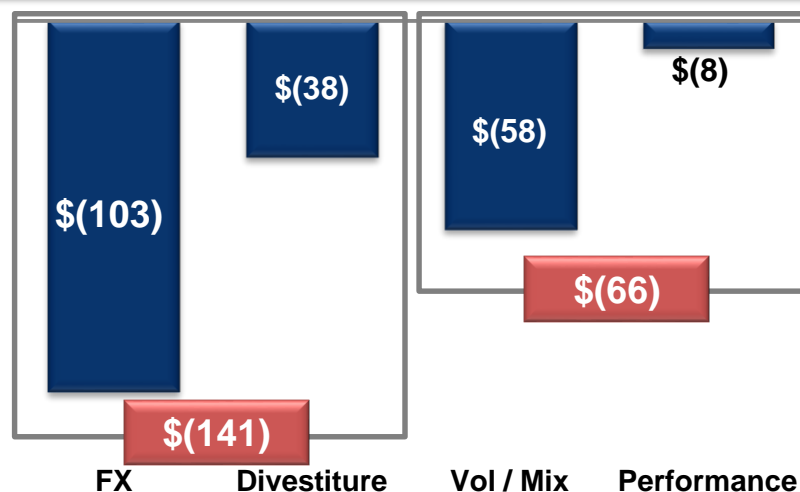
### Off-Highway Driveline

2015	2014
13.9%	15.1%

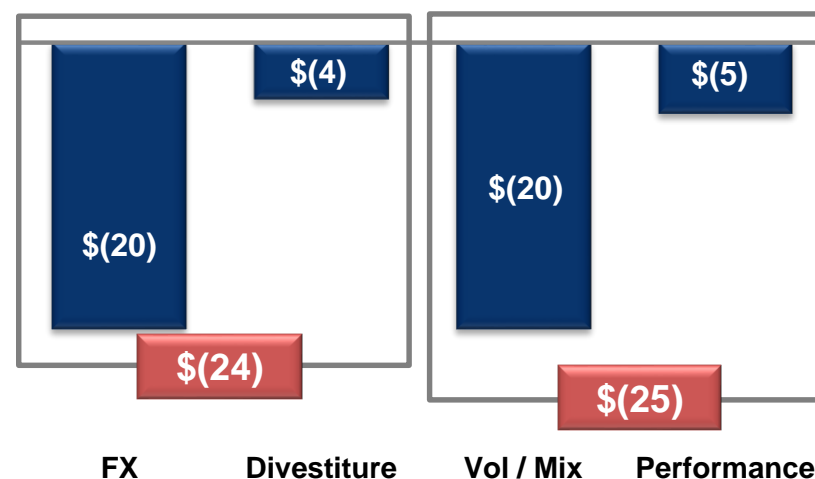
### Power Technologies

2015	2014
13.2%	13.9%

## Key Drivers of Y/Y Sales Change



## Key Drivers of Y/Y EBITDA Change



# Financial Results – 2015 Full Year



(\$ in millions, except EPS)

## Full Year

	2015	2014	Change
<b>Sales</b>	\$ 6,060	\$ 6,617	\$ (557)
<b>Adjusted EBITDA</b>	652	746	(94)
<b>Margin</b>	10.8%	11.3%	(50) bps
<b>Income from Cont Op Before Int Exp</b>	405	378	27
<b>Income Tax Benefit (Expense)</b>	(82)	70	(152)
<b>Net Income</b> <i>(attributable to Dana)</i>	159	319	(160)
<b>Diluted Adjusted EPS</b>	\$ 1.74	\$ 1.99	\$ (0.25)
<b>Capital Spend</b>	260	234	26
<b>Free Cash Flow</b>	146	276	(130)

## Full Year Items

### Pre-Tax Items

Item	2015	2014
Asset Impairment	\$(36)	\$(80)
Pension Settlement	0	(42)
Debt Refinancing	0	(19)
<b>Total</b>	<b>\$(36)</b>	<b>\$(141)</b>

### After-Tax Items

Item	2015	2014
Tax Items	\$(5)	\$179
Asset Impairment	(27)	3
<b>Total</b>	<b>\$(32)</b>	<b>\$182</b>
<b>Total FY Items</b>	<b>\$(68)</b>	<b>\$41</b>

- ▶ \$(109) million impact to 2015 net income from above items when compared to 2014
- ▶ 2015 net income adjusted for above items was \$227 million compared to \$278 million in 2014



# Sales and Adjusted EBITDA Comparisons



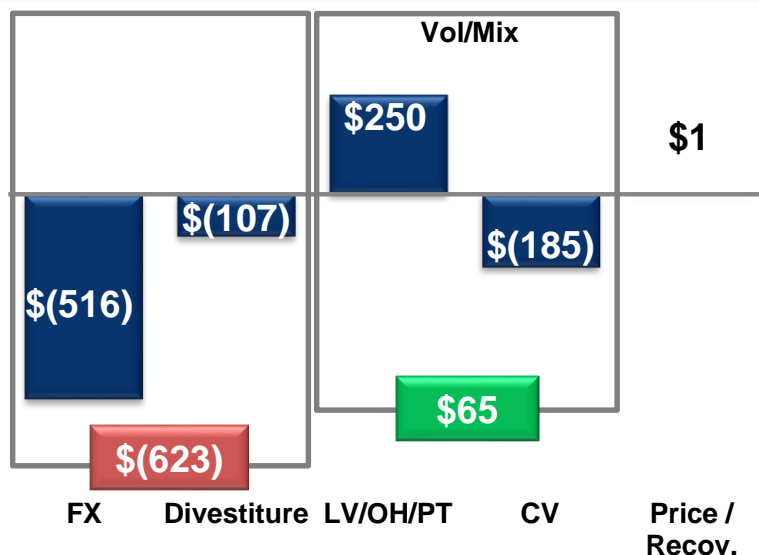
(\$ in millions)

	2015	2014	Change
<b>Sales</b>	<b>\$ 6,060</b>	<b>\$ 6,617</b>	<b>\$ (557)</b>

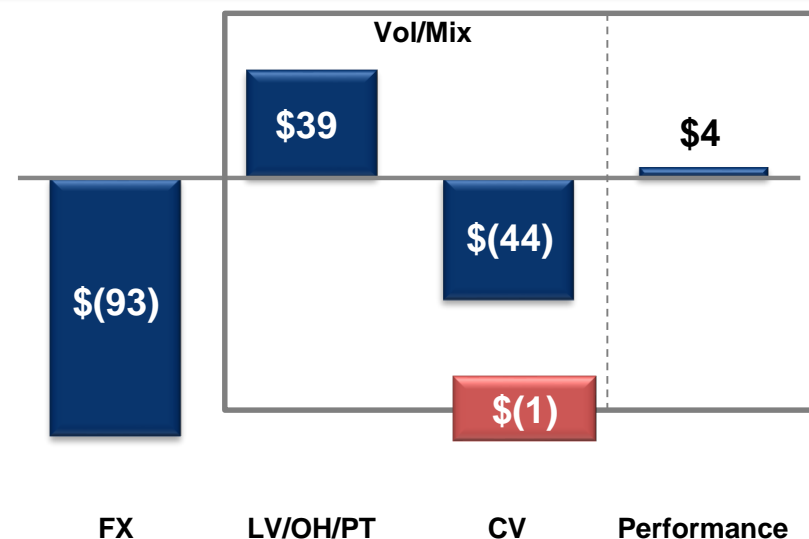
	2015	2014	Change
<b>Adj. EBITDA</b>	<b>\$ 652</b>	<b>\$ 746</b>	<b>\$ (94)</b>
<b>Margin</b>	<b>10.8%</b>	<b>11.3%</b>	<b>(50) bps</b>

Segment	Sales	Y/Y Change	FX Impact	Divestiture	Organic Change
Light Vehicle	41%	(1)%	(5)%	(4)%	8%
Off-Highway	17%	(16)%	(14)%		(2)%
Power Tech.	17%	(4)%	(10)%		6%
<b>Subtotal</b>	<b>75%</b>	<b>(5)%</b>	<b>(8)%</b>	<b>(2)%</b>	<b>5%</b>
Comm. Vehicle	25%	(17)%	(8)%		(9)%

## Key Drivers of Y/Y Sales Change



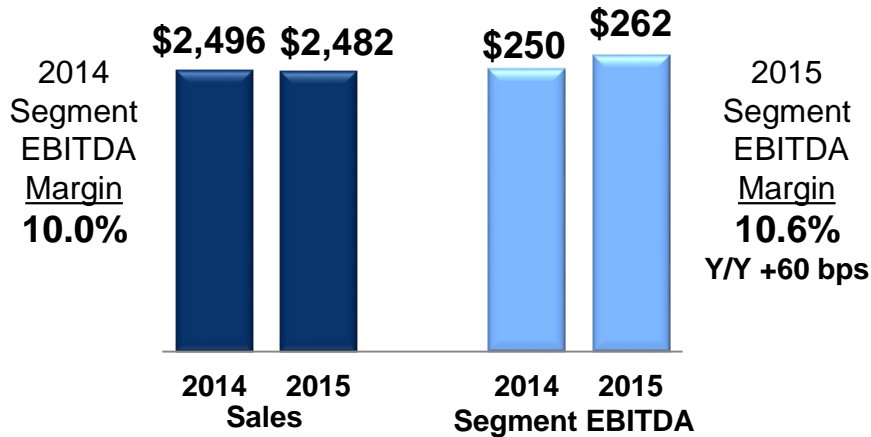
## Key Drivers of Y/Y EBITDA Change



# 2015 Full-Year Business Results



## Light Vehicle Driveline

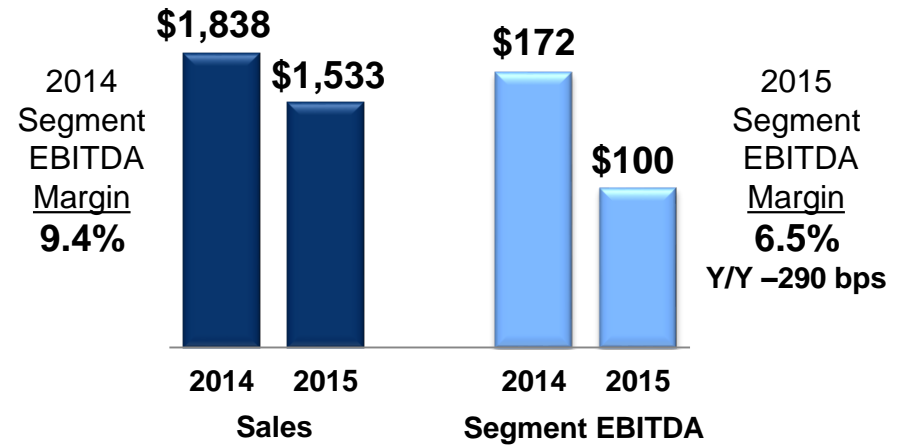


### Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$2,496	\$250	10.0%
Divestiture	(107)	-	
Currency	(95)	(22)	
Vol / Mix	200	34	
Performance	(12)	-	
<b>Change</b>	<b>(14)</b>	<b>12</b>	
2015	\$2,482	\$262	10.6%



## Commercial Vehicle Driveline



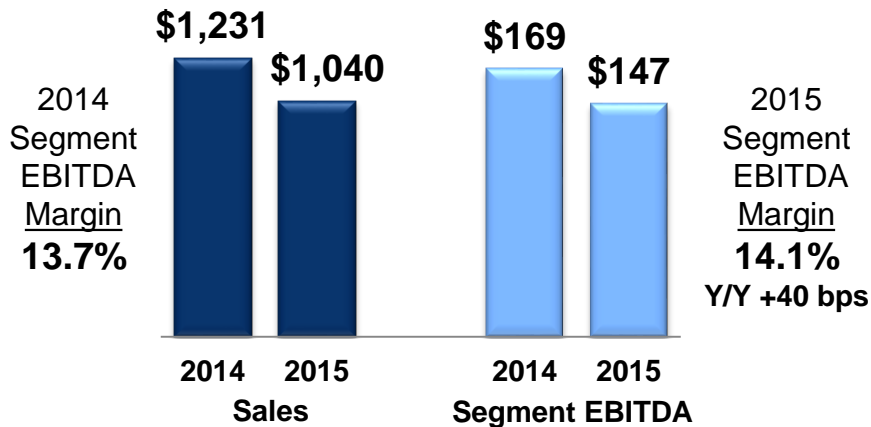
### Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$1,838	\$172	9.4%
Currency	(144)	(17)	
Vol / Mix	(19)	(9)	
Brazil Market	(166)	(35)	
Performance	24	(11)	
<b>Change</b>	<b>(305)</b>	<b>(72)</b>	
2015	\$1,533	\$100	6.5%

# 2015 Full-Year Business Results



## Off-Highway Driveline

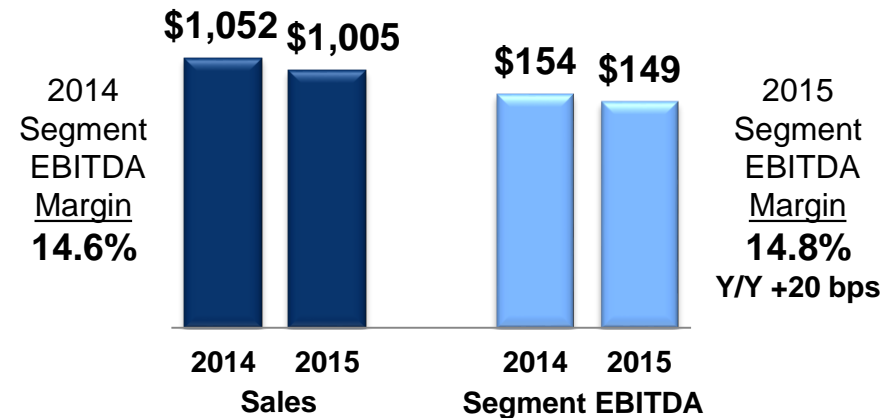


### Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$1,231	\$169	13.7%
Currency	(165)	(26)	
Vol / Mix	(25)	(10)	
Performance	(1)	14	
Change	(191)	(22)	
2015	\$1,040	\$147	14.1%



## Power Technologies



### Key Drivers of Y/Y Change

	Sales	Segment EBITDA	Margin
2014	\$1,052	\$154	14.6%
Currency	(112)	(22)	
Vol / Mix	75	15	
Performance	(10)	2	
Change	(47)	(5)	
2015	\$1,005	\$149	14.8%

# Free Cash Flow and Liquidity



## Free Cash Flow

(\$ in millions)

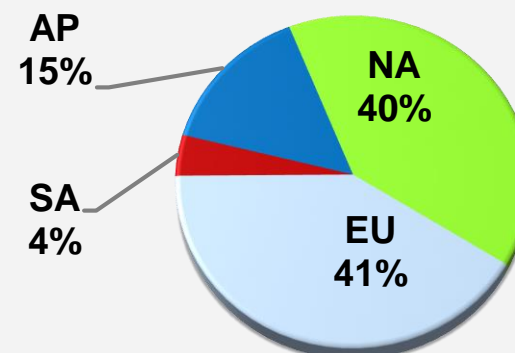
	Full Year		
	2015	2014	Change
<b>Adjusted EBITDA</b>	\$ 652	\$ 746	\$ (94)
<b>Working Capital<sup>1</sup></b>	(38)	(19)	(19)
<b>Restructuring</b>	(16)	(26)	10
<b>Pension, Net</b>	(18)	(11)	(7)
<b>Interest, Net<sup>2</sup></b>	(85)	(67)	(18)
<b>Cash Taxes</b>	(90)	(116)	26
<b>Capital Spending</b>	(260)	(234)	(26)
<b>Other</b>	1	3	(2)
<b>Free Cash Flow</b>	\$ 146	\$ 276	\$ (130)

## Cash, Debt & Liquidity

(\$ in millions)

	2015
<b>Total Cash*</b>	\$ 953
<b>Total Debt</b>	1,596
<b>Net Debt</b>	\$ (643)
<b>Liquidity**</b>	\$ 1,205

### Cash\* by Region



- \* Includes marketable securities; cash and marketable securities also includes \$143 in a wholly-owned subsidiary where access is subject to approval of subsidiary's independent board member
- \*\* \$260 available under U.S. ABL facility

<sup>1</sup> Changes in working capital relating to interest, taxes, and restructuring are included in those respective categories

<sup>2</sup> Includes \$40 receipt of prior period interest on a note receivable classified as an operating cash flow in 2014





## Share Repurchase Actions

- ▶ **\$311 million returned to shareholders in 2015**
  - ▶ *\$1.4 billion in total\**
- ▶ **67 million shares repurchased or redeemed\***
- ▶ **31% reduction in shares\***
- ▶ **Additional \$300 million authorized for 2016-2017**

### Share Repurchase Summary as of 12/31/15

Shares Repurchased (incl. Series A shares)	67 M
2015 Weighted Avg. Diluted Adj. Shares	160 M
New Authorization (as of Jan. 2016)	\$300 M

## U.S. Pension

- ▶ **Funded percentage stable even with weak market returns**
- ▶ **Higher interest rates reduced liabilities**

### U.S. Defined Benefit Pension

	<u>2014</u>	<u>2015</u>
PBO	\$ 1,823	\$ 1,692
FV of Assets	1,622	1,493
<b>(Unfunded)</b>	<b>\$ (201)</b>	<b>\$ (199)</b>
<b>Funded %</b>	<b>89%</b>	<b>88%</b>

Growth/Fixed 14%	Cash 2%	Immunizing 53%	Equity/Alt 31%
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# 2016 Financial Targets



## Key Financial Metrics

	2016 Targets
<b>Sales</b>	<b>\$5.8 – \$6.0 B</b>
<b>Adjusted EBITDA</b>	<b>\$640 – \$670 M</b>
<b>Margin</b>	<b>11.0% – 11.2%</b>
<b>Diluted Adjusted EPS*</b>	<b>\$1.65 – \$1.75</b>
<b>Capital Spend</b>	<b>\$280 – \$300 M</b>
<b>Free Cash Flow</b>	<b>\$160 – \$180 M</b>

## Other Cash Flow Items

<b>Depreciation / Amortization</b>	<b>~\$190 M / ~\$10 M</b>
<b>Cash Taxes</b>	<b>~\$90 M</b>
<b>Net Interest</b>	<b>~\$90 M</b>
<b>Pension Funding, Net</b>	<b>~\$15 M</b>
<b>Cash Restructuring</b>	<b>~\$25 M</b>

## Business Segments – 2016 Targets

### Light Vehicle Driveline

Sales	Margin
~\$2.5 B	~11%

### Commercial Vehicle Driveline

Sales	Margin
~\$1.3 B	~7%

### Off-Highway Driveline

Sales	Margin
~\$1.0B	~14%

### Power Technologies

Sales	Margin
~\$1.1 B	~15%

### Currency Assumptions

Euro / USD	1.05 - 1.08
USD / CAD	0.75 - 0.80
USD / BRL	4.00 - 4.25
USD / ARP	12.75 - 14.00
USD / THB	36.50 - 40.00

### Tax Assumptions

U.S. GAAP Rate	32%
Cash Tax Rate	26%
Adjusted EPS Rate	28%

\*Calculated based on fully diluted outstanding shares of 151 million - excludes future impact of the share repurchase program



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# *Appendix*



# Global Vehicle Production Dana Forecasts (Units in 000s)



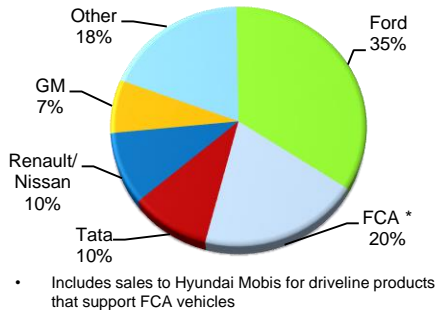
	2015 Actuals	2016 Outlook
<b>North America</b>		
Light Truck (Full Frame)	4,123	4,250 – 4,300
Light Vehicle Engines	15,355	15,500 – 16,000
Medium Truck (Class 5-7)	235	230 – 240
Heavy Truck (Class 8)	322	240 – 260
Agricultural Equipment	58	55 – 60
Construction/Mining Equipment	158	155 – 165
<b>Europe (Incl. Eastern Europe)</b>		
Light Trucks	8,525	8,800 – 8,900
Light Vehicle Engines	22,617	22,500 – 23,000
Medium/Heavy Truck	438	440 – 445
Agricultural Equipment	202	200 – 205
Construction/Mining Equipment	299	300 – 305
<b>South America</b>		
Light Trucks	948	950 – 1,000
Light Vehicle Engines	2,486	2,500 – 2,550
Medium/Heavy Truck	86	80 – 90
Agricultural Equipment	32	30 – 35
Construction/Mining Equipment	13	10 – 15
<b>Asia Pacific</b>		
Light Trucks	24,031	24,000 – 25,000
Light Vehicle Engines	47,060	48,500 – 49,500
Medium/Heavy Truck	1,378	1,400 – 1,450
Agricultural Equipment	676	655 – 690
Construction /Mining Equipment	405	400 – 420

# Segment Profiles

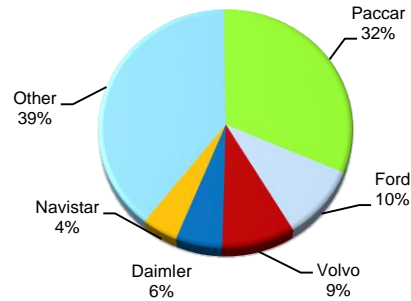


Customer Sales

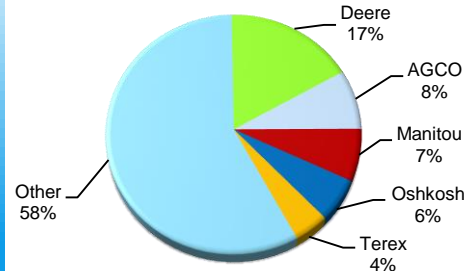
**Light Vehicle Driveline**  
Year to Date 12/31/2015



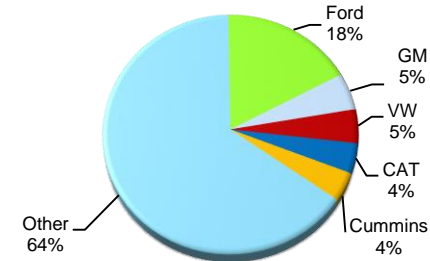
**Commercial Vehicle Driveline**  
Year to Date 12/31/2015



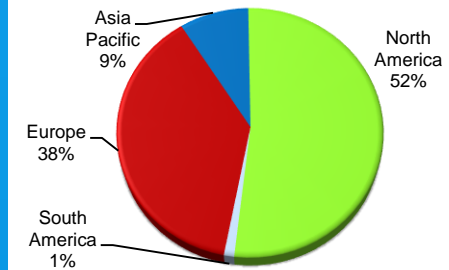
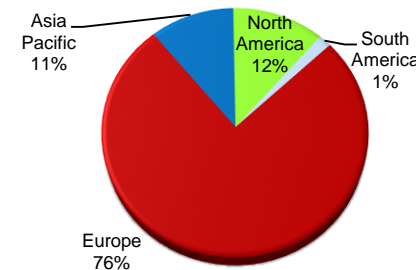
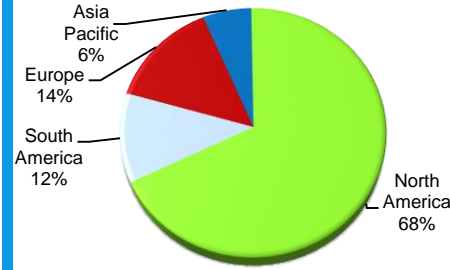
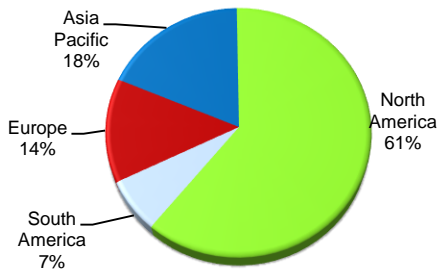
**Off-Highway Driveline**  
Year to Date 12/31/2015



**Power Technologies**  
Year to Date 12/31/2015



Regional Sales



Performance

\$ Millions

	Q4		Full Year	
	2015	2014	2015	2014
Sales	\$599	\$634	\$2,482	\$2,496
Segment EBITDA	\$69	\$74	\$262	\$250
EBITDA Margin	11.5%	11.7%	10.6%	10.0%

\$ Millions

	Q4		Full Year	
	2015	2014	2015	2014
Sales	\$302	\$431	\$1,533	\$1,838
Segment EBITDA	\$(2)	\$34	\$100	\$172
EBITDA Margin	(0.7)%	7.9%	6.5%	9.4%

\$ Millions

	Q4		Full Year	
	2015	2014	2015	2014
Sales	\$231	\$272	\$1,040	\$1,231
Segment EBITDA	\$32	\$41	\$147	\$169
EBITDA Margin	13.9%	15.1%	14.1%	13.7%

\$ Millions

	Q4		Full Year	
	2015	2014	2015	2014
Sales	\$243	\$245	\$1,005	\$1,052
Segment EBITDA	\$32	\$34	\$149	\$154
EBITDA Margin	13.2%	13.9%	14.8%	14.6%

# Diluted Adjusted EPS



**DANA HOLDING CORPORATION**  
**Diluted Adjusted EPS (Unaudited)**  
**For the Three Months Ended December 31, 2015 and 2014**

(In millions except per share amounts)

	Three Months Ended December 31,	
	2015	2014
<b>Net income attributable to parent company</b>	\$ (82)	\$ 109
Restructuring charges (1)	3	6
Amortization of intangibles (1)	2	8
Non-recurring items (1):		
Income tax valuation allowance release, net	79	(179)
Impairment of equity method investment	39	
Loss on divestiture of Venezuelan operations		77
Pension settlement charge		42
Loss on extinguishment of debt		19
Other items	10	8
<b>Adjusted net income</b>	<u>\$ 51</u>	<u>\$ 90</u>
Diluted shares - as reported	152	169
Adjusted diluted shares	<u>152</u>	<u>169</u>
<b>Diluted adjusted EPS</b>	\$ 0.34	\$ 0.53

(1) Amounts are net of associated tax effect.

**DANA HOLDING CORPORATION**  
**Diluted Adjusted EPS (Unaudited)**  
**For the Year Ended December 31, 2015 and 2014**

(In millions except per share amounts)

	Year Ended December 31,	
	2015	2014
<b>Net income attributable to parent company</b>	\$ 159	\$ 319
Restructuring charges (1)	12	19
Amortization of intangibles (1)	11	37
Non-recurring items (1):		
Income tax valuation allowance release, net	5	(179)
Impairment of long-lived assets	24	
Impairment of equity method investment	39	
Loss on divestiture of Venezuelan operations		77
Pension settlement charge		42
Loss on extinguishment of debt		19
Other items	28	12
<b>Adjusted net income</b>	<u>\$ 278</u>	<u>\$ 346</u>
Diluted shares - as reported	160	174
Adjusted diluted shares	<u>160</u>	<u>174</u>
<b>Diluted adjusted EPS</b>	\$ 1.74	\$ 1.99

(1) Amounts are net of associated tax effect.

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

# Segment Data



**DANA HOLDING CORPORATION**  
**Segment Sales & Segment EBITDA (Unaudited)**  
**For the Three Months Ended December 31, 2015 and 2014**

(In millions)	Three Months Ended	
	December 31,	
	2015	2014
<b>Sales</b>		
Light Vehicle	\$ 599	\$ 634
Commercial Vehicle	302	431
Off-Highway	231	272
Power Technologies	243	245
<b>Total Sales</b>	<b>\$ 1,375</b>	<b>\$ 1,582</b>
<b>Segment EBITDA</b>		
Light Vehicle	\$ 69	\$ 74
Commercial Vehicle	(2)	34
Off-Highway	32	41
Power Technologies	32	34
<b>Total Segment EBITDA</b>	<b>131</b>	<b>183</b>
Corporate expense and other items, net	(2)	(5)
<b>Adjusted EBITDA</b>	<b>\$ 129</b>	<b>\$ 178</b>

**DANA HOLDING CORPORATION**  
**Segment Sales & Segment EBITDA (Unaudited)**  
**For the Year Ended December 31, 2015 and 2014**

(In millions)	Year Ended	
	December 31,	
	2015	2014
<b>Sales</b>		
Light Vehicle	\$ 2,482	\$ 2,496
Commercial Vehicle	1,533	1,838
Off-Highway	1,040	1,231
Power Technologies	1,005	1,052
<b>Total Sales</b>	<b>\$ 6,060</b>	<b>\$ 6,617</b>
<b>Segment EBITDA</b>		
Light Vehicle	\$ 262	\$ 250
Commercial Vehicle	100	172
Off-Highway	147	169
Power Technologies	149	154
<b>Total Segment EBITDA</b>	<b>658</b>	<b>745</b>
Corporate expense and other items, net	(6)	1
<b>Adjusted EBITDA</b>	<b>\$ 652</b>	<b>\$ 746</b>

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

# Segment Data (continued)



**DANA HOLDING CORPORATION**  
**Reconciliation of Segment and Adjusted EBITDA**  
**to Net Income (Loss) (Unaudited)**  
**For the Three Months Ended December 31, 2015 and 2014**

(In millions)	Three Months Ended	
	December 31,	
	2015	2014
<b>Segment EBITDA</b>	\$ 131	\$ 183
Corporate expense and other items, net	(2)	(5)
<b>Adjusted EBITDA</b>	129	178
Depreciation	(41)	(42)
Amortization of intangibles	(2)	(11)
Restructuring	(2)	(7)
Stock compensation expense		(5)
Other items	(4)	2
Distressed supplier costs	(8)	
Amounts attributable to previously divested/closed operations	(1)	
Loss on disposal group held for sale		(80)
Pension settlement charges		(42)
Loss on extinguishment of debt		(19)
Interest expense, net	(25)	(25)
Income (loss) from continuing operations before income taxes	46	(51)
Income tax expense (benefit)	92	(166)
Equity in earnings (losses) of affiliates	(37)	4
Income (loss) from continuing operations	(83)	119
Income (loss) from discontinued operations	4	(11)
<b>Net income (loss)</b>	<b>\$ (79)</b>	<b>\$ 108</b>

**DANA HOLDING CORPORATION**  
**Reconciliation of Segment and Adjusted EBITDA**  
**to Net Income (Unaudited)**  
**For the Year Ended December 31, 2015 and 2014**

(In millions)	Year Ended	
	December 31,	
	2015	2014
<b>Segment EBITDA</b>	\$ 658	\$ 745
Corporate expense and other items, net	(6)	1
<b>Adjusted EBITDA</b>	652	746
Depreciation	(158)	(164)
Amortization of intangibles	(16)	(49)
Restructuring	(15)	(21)
Stock compensation expense	(14)	(16)
Strategic transaction expenses	(4)	(3)
Other items	(6)	9
Impairment of long-lived assets	(36)	
Distressed supplier costs	(8)	
Amounts attributable to previously divested/closed operations	(6)	
Loss on disposal group held for sale		(80)
Pension settlement charges		(42)
Loss on extinguishment of debt	(2)	(19)
Gain on derecognition of noncontrolling interest	5	
Recognition of unrealized gain on payment-in-kind note receivable		2
Interest expense, net	(100)	(103)
Income from continuing operations before income taxes	292	260
Income tax expense (benefit)	82	(70)
Equity in earnings (losses) of affiliates	(34)	13
Income from continuing operations	176	343
Income (loss) from discontinued operations	4	(15)
<b>Net income</b>	<b>\$ 180</b>	<b>\$ 328</b>

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

# Non-GAAP Financial Information



The preceding slides refer to Adjusted EBITDA, which we've defined to be earnings from continuing and discontinued operations before interest, taxes, depreciation, amortization, equity grant expense, restructuring expense and other adjustments not related to core operations (gain/loss on debt extinguishment, pension settlements or divestitures, impairment, etc.). Adjusted EBITDA is a primary driver of cash flows from operations and a measure of our ability to maintain and continue to invest in our operations and provide shareholder returns. 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.

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 and impairment expense, amortization expense and other adjustments not related to core operations (as used in adjusted EBITDA), net of any associated income tax effects. We define adjusted diluted shares as diluted shares as determined in accordance with GAAP based on adjusted net income. This measure is considered useful for purposes of providing investors, analysts and other interested parties with an indicator of ongoing financial performance that provides enhanced comparability to EPS reported by other companies. Diluted adjusted EPS is neither intended to represent nor be an alternative measure to diluted EPS reported under GAAP.

Free cash flow is a non-GAAP financial measure which we have defined as cash provided by (used in) operating activities, less purchases of property, plant and equipment. We believe this measure is useful to investors in evaluating the operational cash flow of the company inclusive of the spending required to maintain the operations. Free cash flow is neither intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported under GAAP. Free cash flow may not be comparable to similarly titled measures reported by other companies.

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