



2016 Investor Day

SHIFTING INTO
VERDRIVE 





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



10:00-10:15	Business Overview	James Kamsickas
10:15-10:35	Technology Trends	George Constand
10:35-12:35	Dana Enterprise Strategy: “Shifting into Overdrive” <ol style="list-style-type: none">1. Leverage the Core2. Strengthen Customer Centricity3. Expand Global Markets Break <ol style="list-style-type: none">4. Commercialize New Technology5. Accelerate Hybridization and Electrification	James Kamsickas Mark Wallace Bob Pyle Dwayne Matthews Aziz Aghili
12:35-12:50	Financial Summary	Jonathan Collins
12:50-1:30	Closing Remarks and Q&A	





Business Overview

James Kamsickas

President and Chief Executive Officer



Leadership Team



James Kamsickas

*President &
Chief Executive Officer*



Business Units

Bob Pyle
*President,
Light Vehicle Driveline*



Dwayne Matthews
*President,
Power Technologies*



Mark Wallace
*President,
Commercial Vehicle Driveline*



Aziz Aghili
*President,
Off-Highway Drivetrain*

Legal



Marc Levin
*Senior Vice President,
General Counsel & Secretary*

Finance



Jonathan Collins
*Senior Vice President,
Chief Financial Officer*

Purchasing



Craig Price
*Vice President,
Purchasing & Supplier Development*

Engineering



George Constand
*Senior Vice President,
Chief Technical Officer*

Human Resources



Mariya Trickett
*Senior Vice President,
Human Resources*

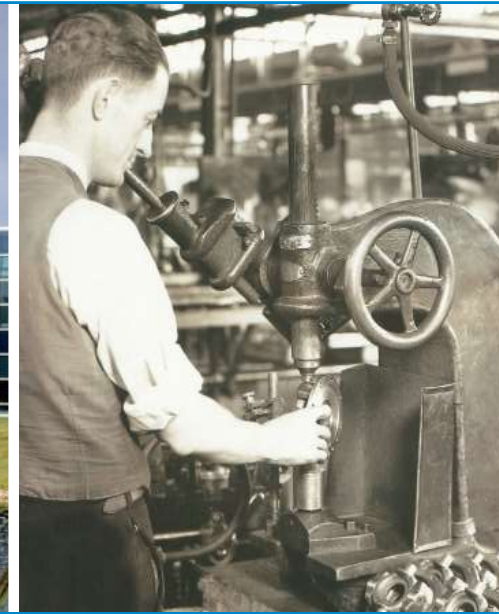
China



Antonio Valencia
*Senior Vice President,
China*



History



People Finding A Better Way[®]





Core Values

- » Honesty and Integrity
- » Good Corporate Citizenship
- » Continuous Improvement
- » Open Communication





Vision

To be the technology leader in efficient power conveyance and energy-management solutions that enable our customers to achieve their sustainability objectives





Mission

Our talented people power a **customer-centric organization** that is continuously improving the **performance** and **efficiency** of vehicles around the globe

We will consistently deliver **superior products and service to our customers** and will generate exceptional value for our shareholders by:

- » Increasing market share
- » Reducing cost
- » Improving margins



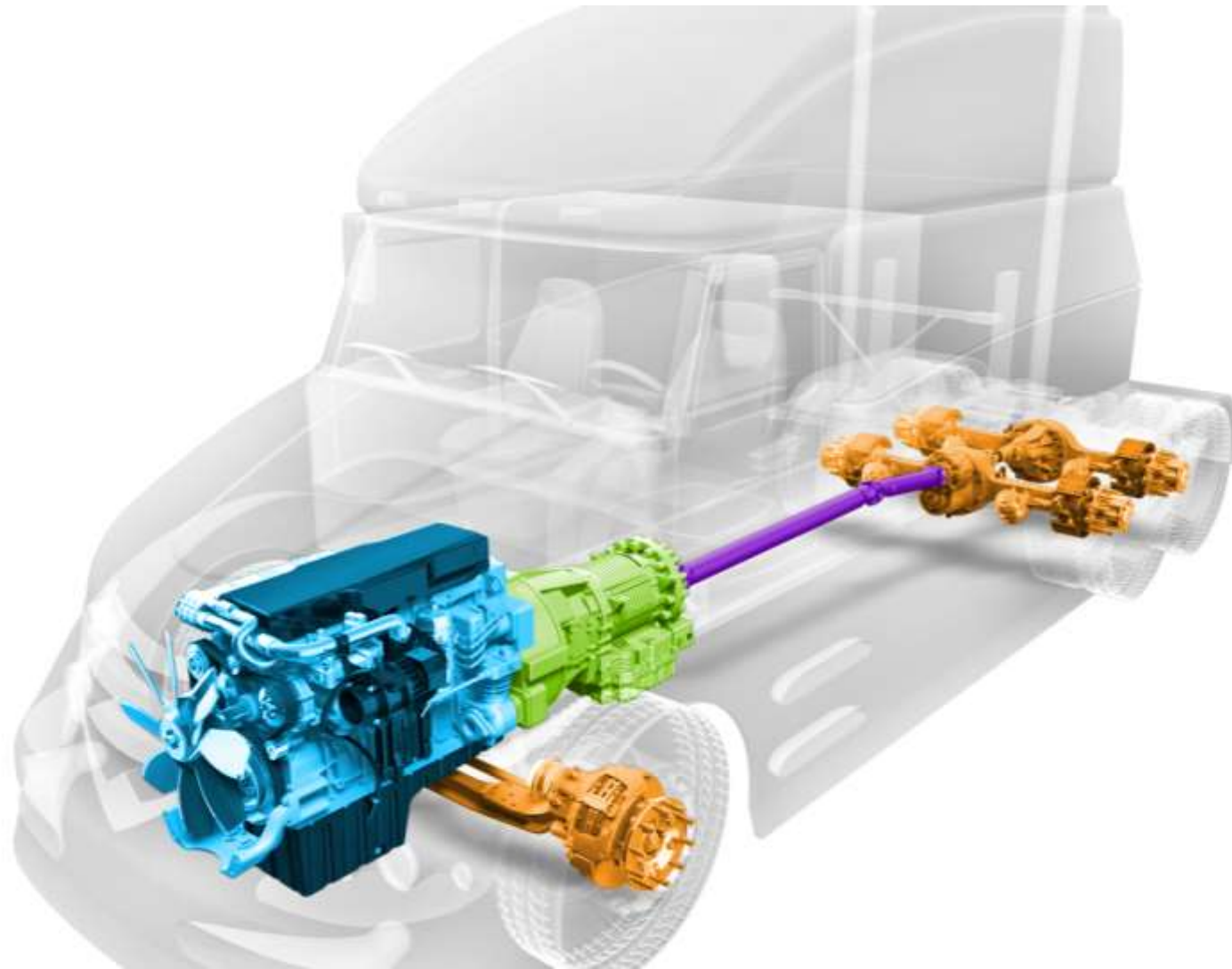


Snapshot

- » Founded in 1904
- » Based in Maumee, Ohio
- » 2015 sales: \$6.1 billion
- » 23,000 people
- » Global operations and customers
 - Over 90 major facilities
 - 25 countries on six continents
 - Customers in over 130 countries
- » 16 Technical Centers



Product Overview



Engine

- Seals & Gaskets
- Battery Cooling
- Electronics Cooling
- Engine Cooling
- Hydraulic Hybrid

Transmission

- Sealing & Cooling
- Active Warm Up
- Planetary Continuously Variable Transmissions
- Hydrostatic/Hydrodynamic/Powersplit Transmissions

Driveshaft

- Aluminum Driveshafts
- Steel Driveshafts
- Universal Joints

Axles

- Drive Axles
- Steer Axles
- AWD System
- Disconnect System
- Differential Seals
- Electric Axles



End Markets



Light Vehicles



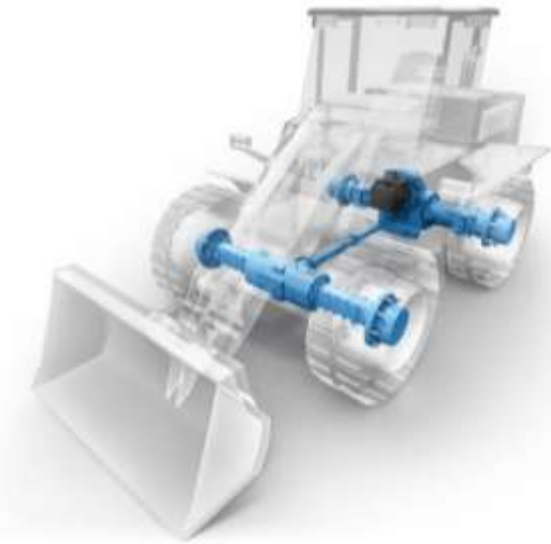
Commercial Vehicles



Off-Highway



Customer Breadth



The Dana Brand Family



Driveline Technologies

SPICER[®]



Sealing Solutions

VICTOR REINZ[®]



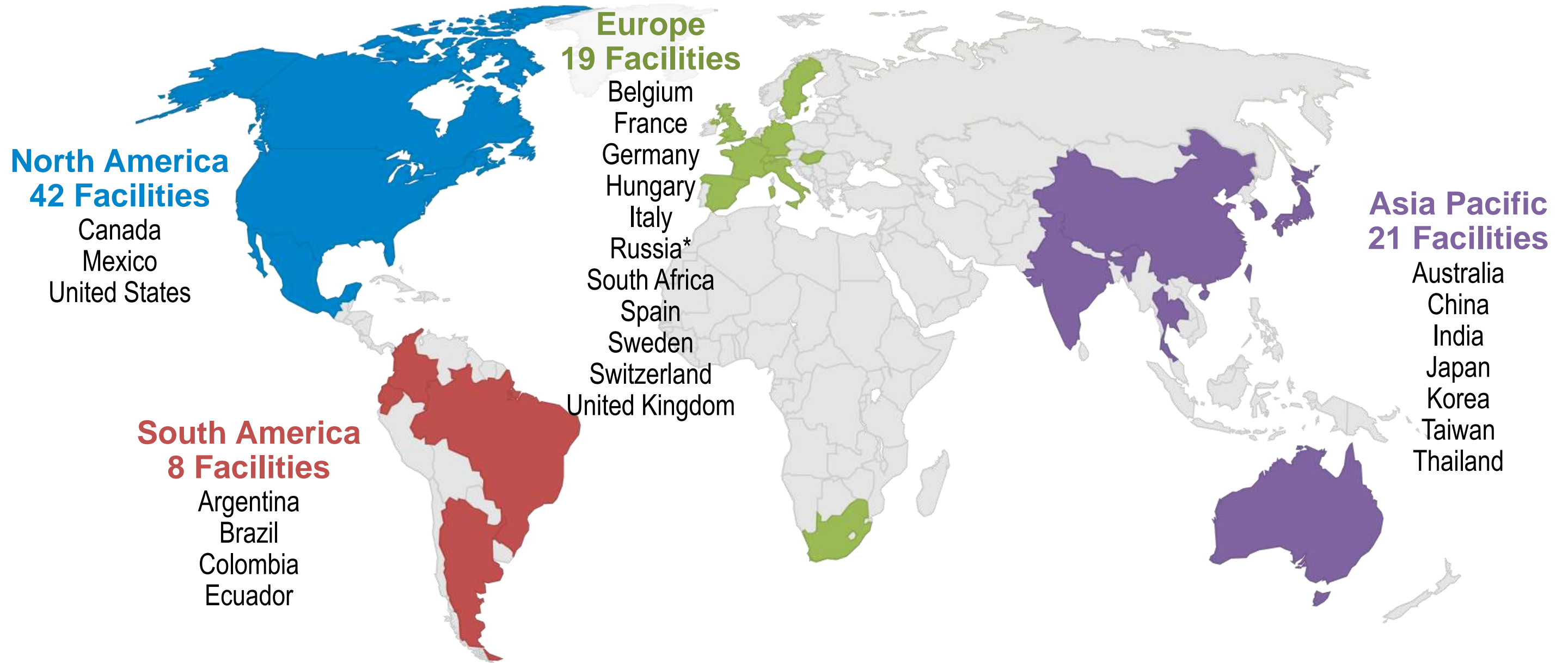
Thermal Management

LONG[®]





Global Presence



+23K
People

25
Countries

90
Major Facilities

16
Tech Centers

>850,000
Sq. Ft. of Tech Centers

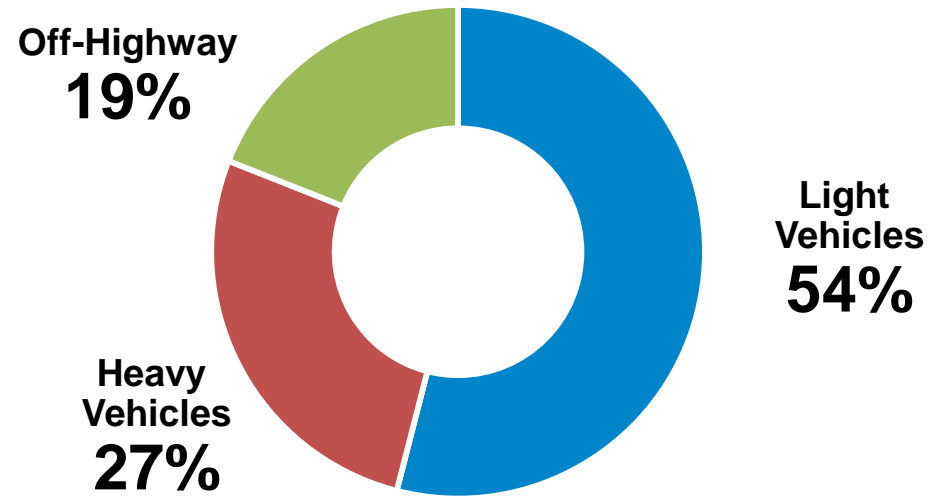
* Sales Office



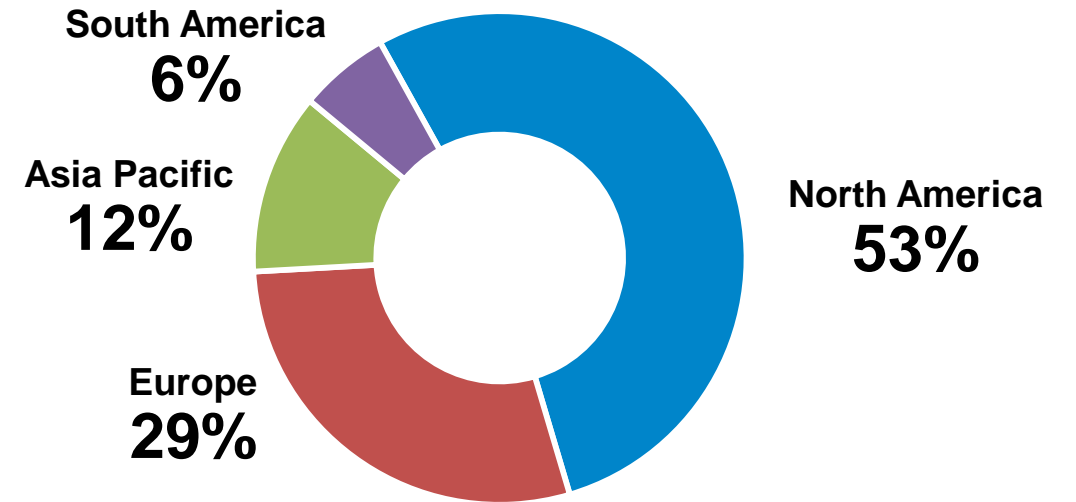


Sales Breakdown

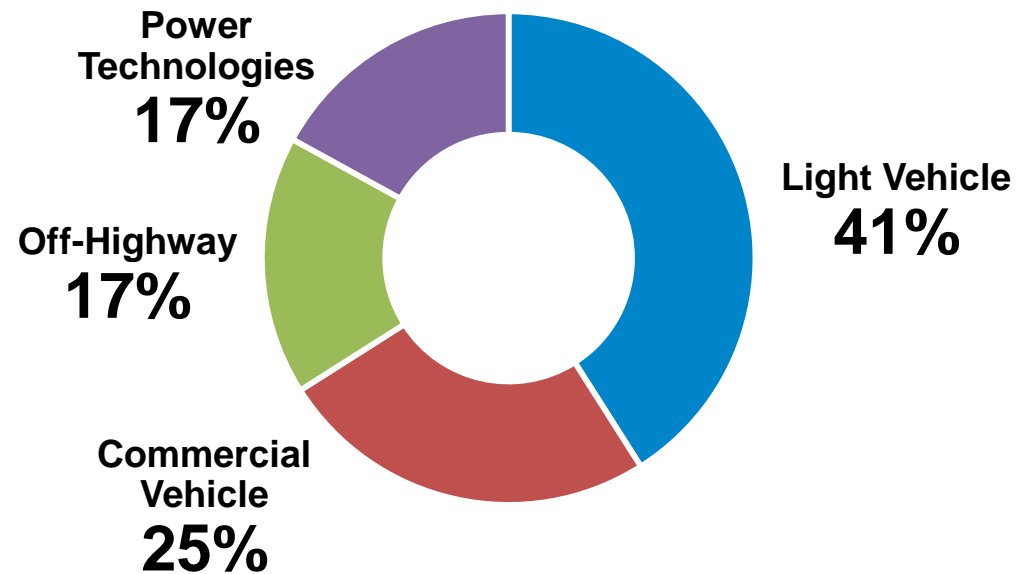
Market



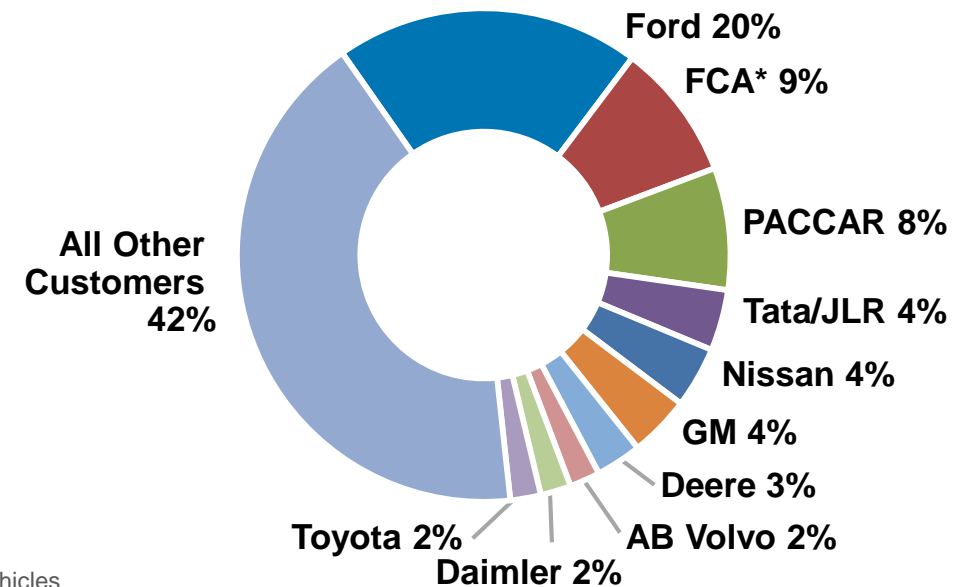
Region



Segment



Customer



2015 Sales

* Includes sales to Hyundai Mobis for driveline products that support FCA vehicles





Technology Trends

George Constand
Chief Technology Officer



Megatrends Push Technology Advancement

Megatrends Overall

- Globalization
- Aging population
- Population growth
- Climate change
- Urbanization
- Scarce resources

Automotive Megatrends

- Green
- Connected
- Shared
- Safe
- Efficient

Drivers of Change

- Emissions Regulations
- TCO Management
- Automated Driving
- Shared Mobility
- Connectivity/Big Data
- Driver Preference
- Future Logistics

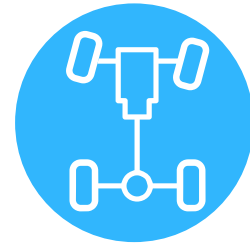
Technology Trends

- ICE Advancement
- Drivetrain Advancement
- Light-Weighting
- Electric Propulsion

Key Technology Trends for Dana



**ICE
Advancement**



**Drivetrain
Advancement**



Light-Weighting



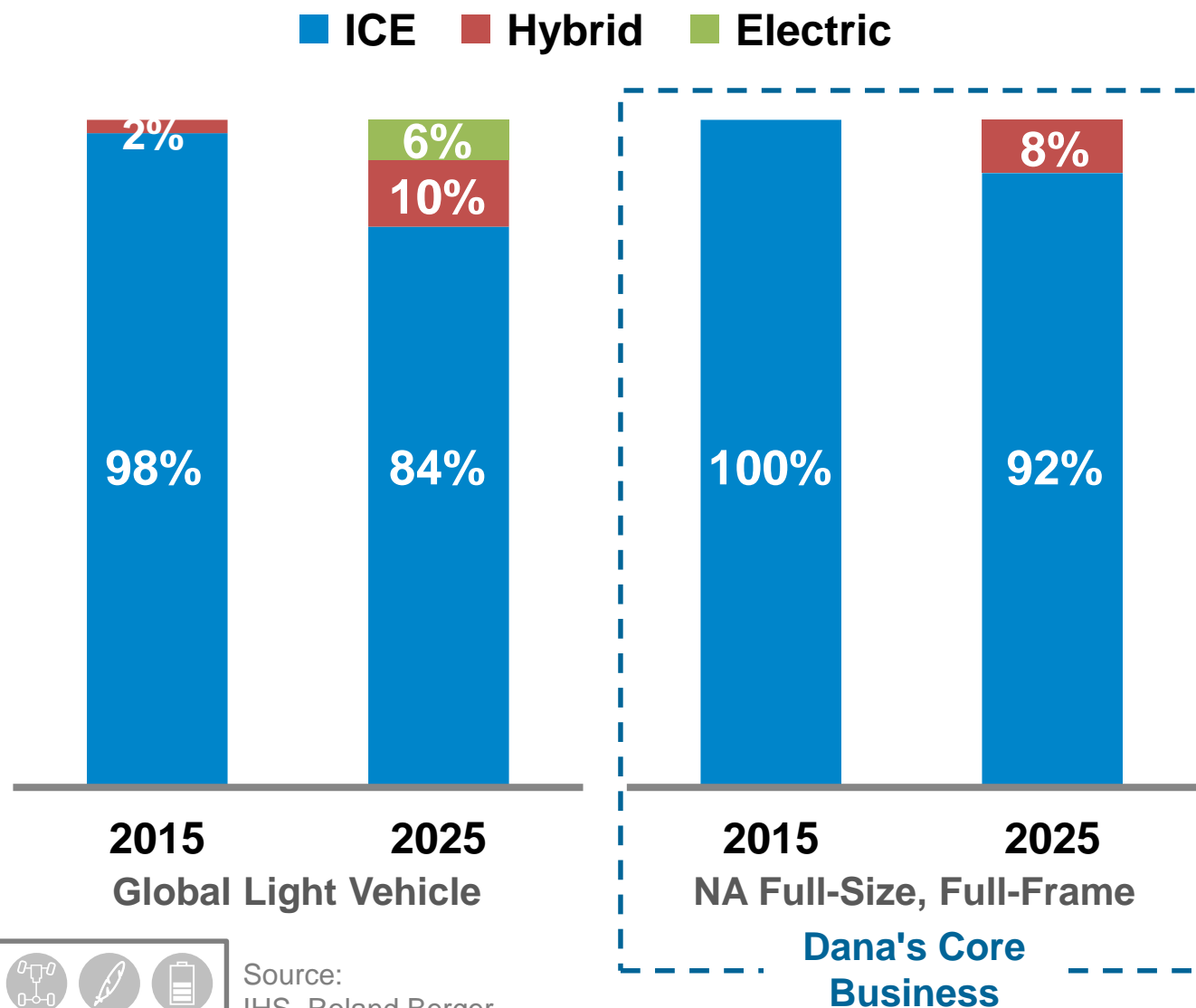
**Electric
Propulsion**

- » Technology trends driving growth opportunities for Dana
- » Customers need innovative technology solutions to address market and end user demands
- » Moving to more complete solutions increasing content per vehicle

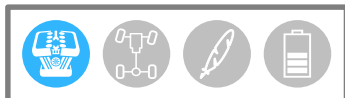
Internal Combustion Engine Advancement



Vehicle Engine Platforms



- » The Internal Combustion Engine (ICE) remains the primary platform for 15+ years
- » OEMs improving the ICE to meet regulatory requirements
- » Dana will advance our:
 - Technology leadership
 - Continued innovation
 - Ability to tailor custom solutions



Source:
IHS, Roland Berger



Internal Combustion Engine Advancement



Example: Ford F-150 Engine



	2006	2016
Size	4.2L	3.5L
HP	202 hp @ 4350 rpm	375 hp @ 5000 rpm
Torque	260 ft.-lbs. @ 3750 rpm	470 ft.-lbs. @ 3500 rpm

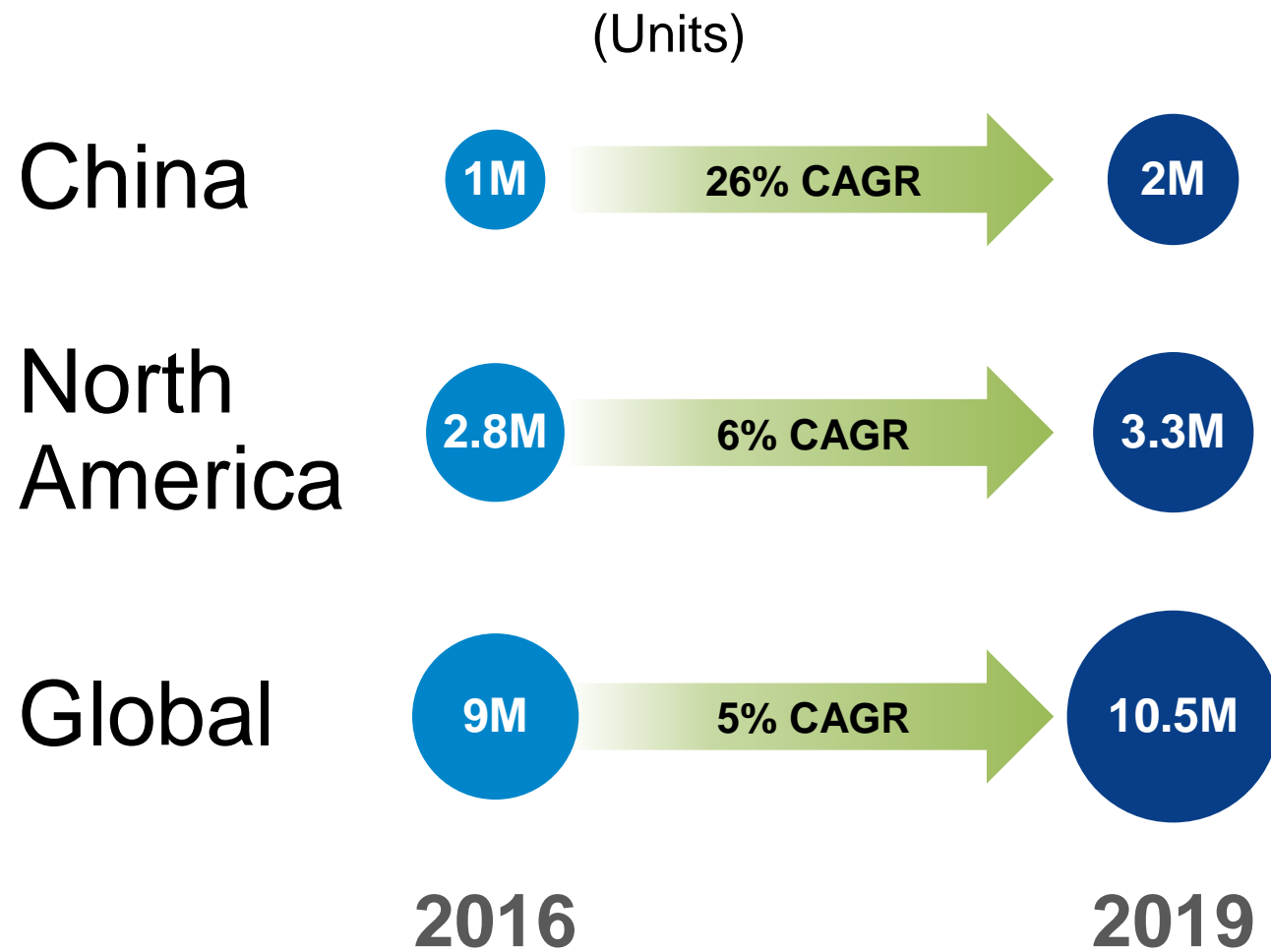
- » Dramatic ICE improvements drives need for innovative technology
 - **Increased pressure** = Dana's Sealing Technology
 - **Increased heat** = Dana's Thermal Management Technology
 - **Increased torque** = Dana's Driveline Technology
- » Creates opportunity for Dana as OEMs look for improved solutions



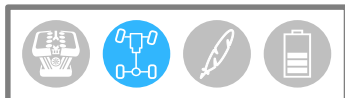
Drivetrain Advancement



All-Wheel-Drive Market Growth



- » AWD adoption is increasing, and this is challenging the industry's ability to meet fuel efficiency regulations
- » OEMs looking for **innovative technology** solutions that bring:
 - Performance
 - Efficiency
- » Creates opportunity for Dana to sell **expanded driveline solutions**



Source: IHS, Company Analysis



Light Weighting

Sample Light-Weighting Initiatives

Ford F-Series Super Duty

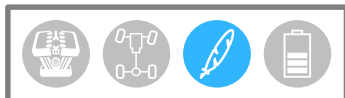
Reduced total weight by ~350 lbs.



Navistar Super Truck

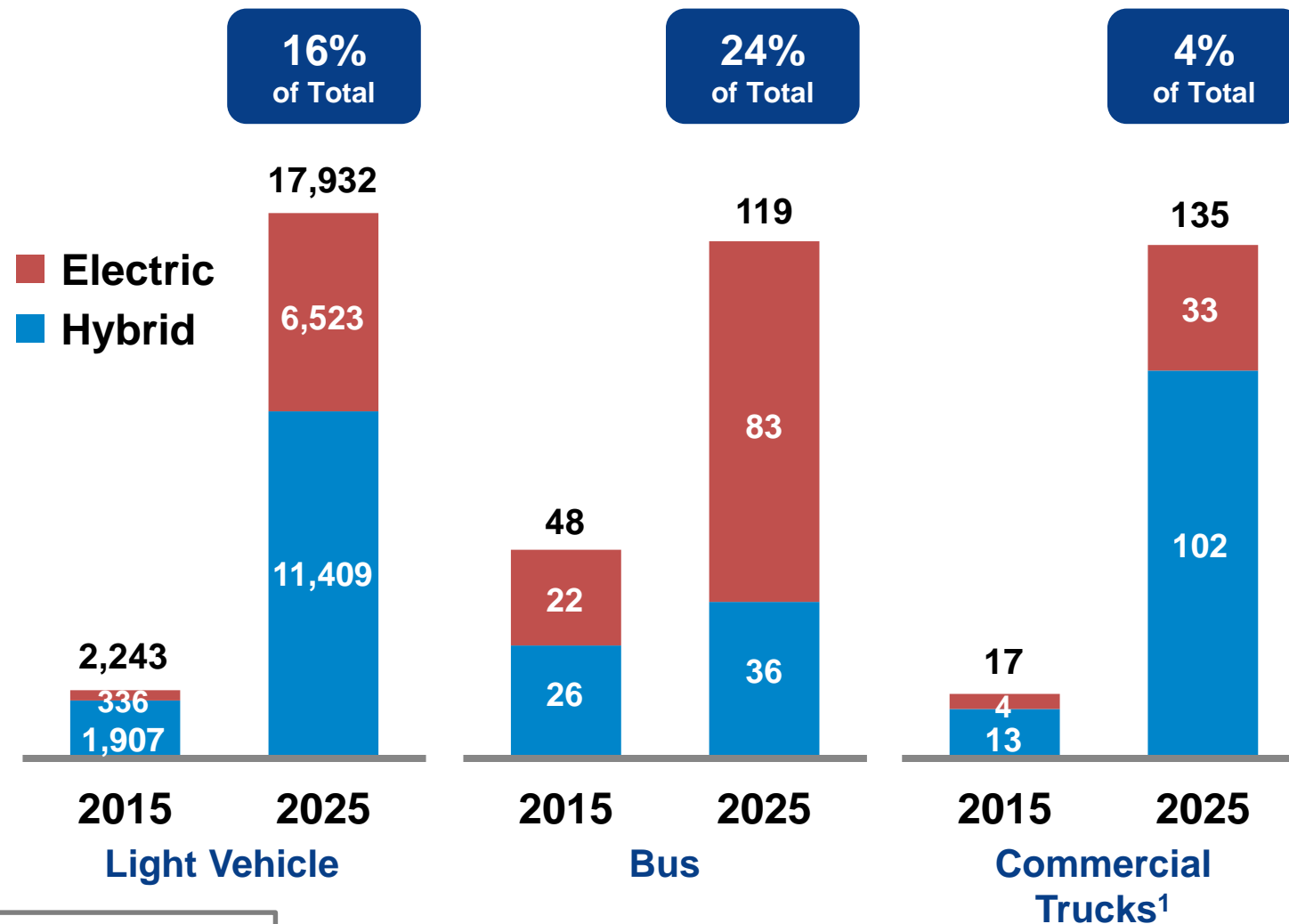
Reducing total weight by ~10%

- » Market requires lighter-weight, higher-performance solutions
- » Dana strength:
 - Innovative technology
 - Unrivalled application engineering capabilities
- » Enables customers to meet requirement for:
 - Stringent fuel efficiency
 - Emissions
 - Design

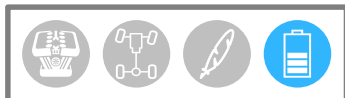


Electric Propulsion

Electric/Hybrid Market Growth



- » Limited adoption of hybrid and electric in our segments over the next 15+ years
- » Dana's products will continue to be relevant and we are investing for future growth opportunities
- » Dana will focus on segments with higher early adoption rates



Source: Roland Berger, Company Analysis
 (1) Electrification expected to predominately impact MD; HD is not currently forecasted

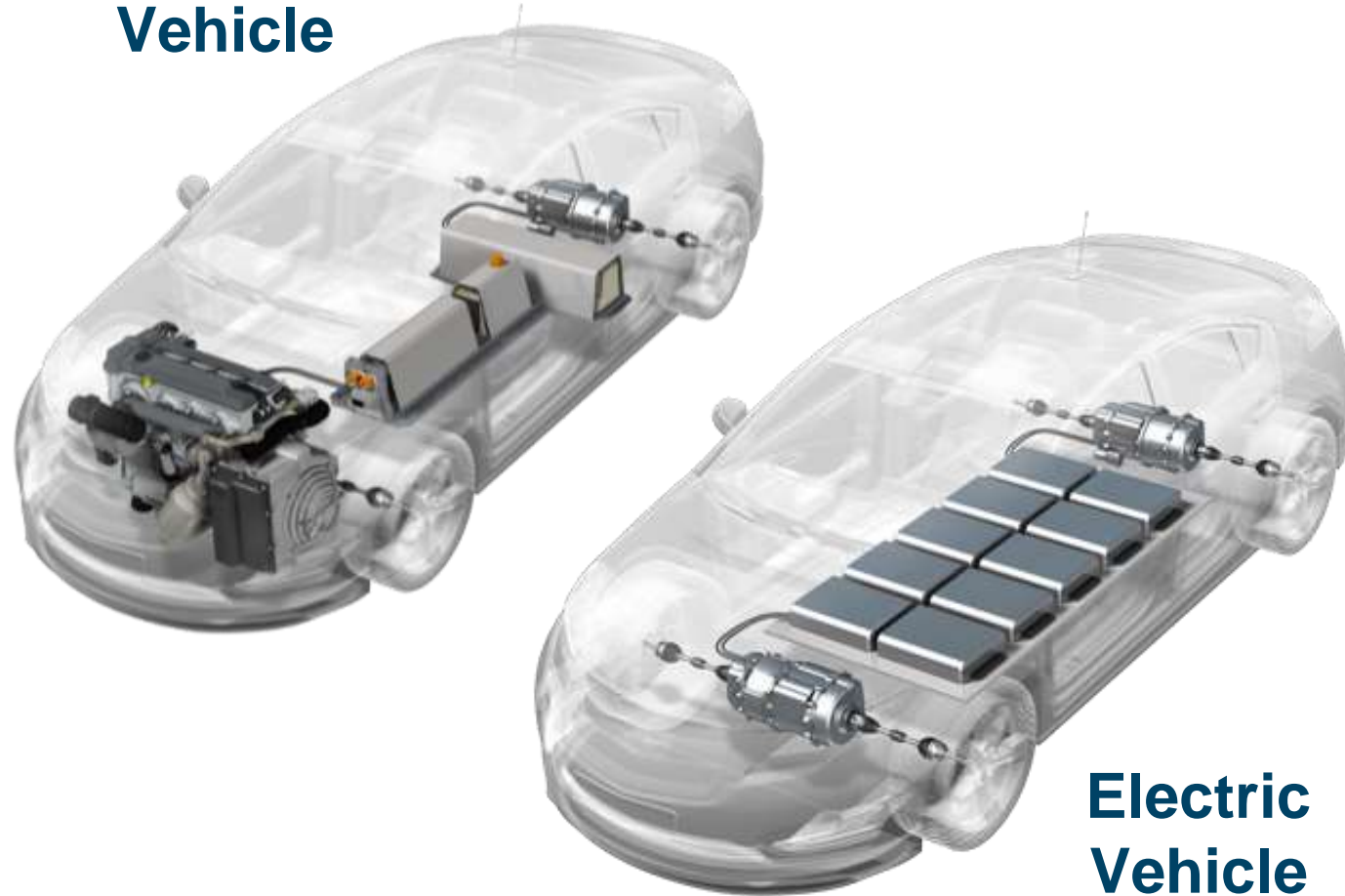


Electric Propulsion



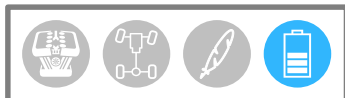
Electric/Hybrid Architectures

Hybrid-Electric
Vehicle



Electric
Vehicle

- » Hybrid solutions require strong foundation in **mechanical driveline solutions**
- » Hybrid & Electric solutions supplement mechanical components with **motors, inverters and controls**
- » Dana uniquely positioned to provide **hybrid solutions** for our core markets and create **electric solutions** to meet market demand



Recognized Technology Leader



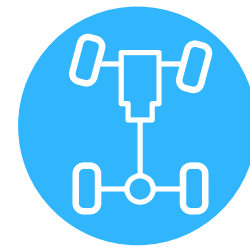
- » Global R&D footprint with **over 10,000 patents**
- » Increased engineering investment annually over the last six years
- » Automotive News PACE Award
 - Finalist for six consecutive years
 - Only supplier to be recognized for **three** separate technologies for 2017



Commitment to Innovation



ICE
Advancement



Drivetrain
Advancement



Light Weighting



Electric
Propulsion

- » **ICE** – dominant architecture with **increased heat, pressure and torque** driving demand for innovative technologies
- » **AWD** – increasing adoption driving demand for technology solutions that **enhance performance and efficiency**
- » **Light Weighting** – technology and application engineering to meet **efficiency, emissions and design** requirements
- » **Electrification** – focused on **hybrid and electric solutions** in early-adopter sub-segments



Enterprise Strategy

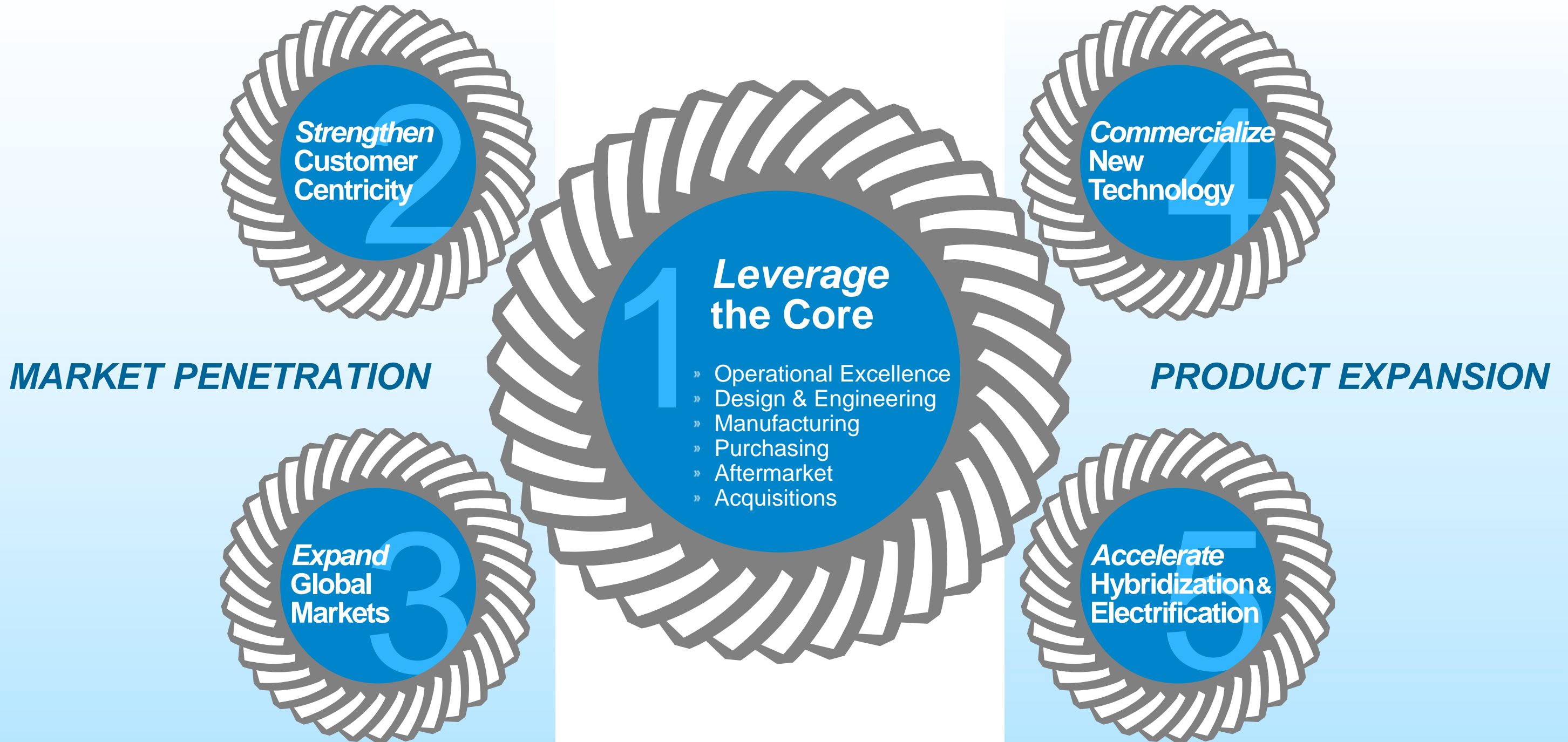
James Kamsickas

President and Chief Executive Officer



SHIFTING INTO
 **VERDRIVE** 

Enterprise Strategy Framework





Leverage the Core

James Kamsickas

President and Chief Executive Officer





Leverage the Core

Dana Is the Only Driveline Supplier Across All Vehicle Classes...

	<u>Light-Duty Class</u>			<u>Medium-Duty Class</u>			<u>Heavy-Duty Class</u>		<u>Off-Highway Class</u>			
Driveline	1	2	3	4	5	6	7	8	Mining	Constr.	Agri.	Other
COMPETITORS												
Light Vehicle	1	2	3	4								
Commercial Vehicle				5		6	7	8				
Off-Highway									Mining	Constr.	Agri.	Other

Dana's Sealing and Thermal Products Reach Across All Mobility Segments...

Power Technologies	1	2	3	4	5	6	7	8	Mining	Constr.	Agri.	Other

- » Dana competitive advantage: Cross-mobility market synergies
 - Technology and innovation
 - Cost and efficiency improvements
 - Capital investment sharing



Leverage the Core



- » Dedicated business units deliver core products to specific end markets
- » All business units will benefit by increased sharing of core capabilities across the enterprise
- » Operational excellence will serve as our foundation
- » “Leveraging the Core” will be realized by
 - Adding functional specialization
 - Creating elite customer experiences

Operational Excellence



Operating Model

Customer Satisfaction



DANA OPERATING SYSTEM

RELENTLESS PURSUIT TOWARD THE IDEAL (True North)
(On-Demand, One by One, Defect Free, Zero Waste, and Safety)

JUST IN TIME

- » Standardized Work
- » Pull System
- » Continuous Focus
- » Produce to Takt
- » Lead Time Reduction

Go and See
Manage by Fact



Kaizen Eyes
Waste Elimination

JIDOKA

- » Stop and Fix
 - Pre-Specification
 - Embedded Test
 - Escalation
 - Separate People from Machine

FOUNDATION

- | | |
|-------------------------------------|---|
| » Safety | » Process Design |
| » Respect for People | » Problem Solving/Continuous Improvement |
| » Visual Management | » Share Knowledge Systematically |
| » Stable and Standardized Processes | » Leaders are the Teachers and Developers |

- » Continued drive toward world-class design, engineering and manufacturing:
 - Customer benefits: Quality, Delivery, Warranty
 - Internal benefits: Efficiency, Waste Elimination
- » Operational excellence intensity improves profitability:
 - Capture cost synergies and leverage technology best practices across driveline businesses
 - Variable and fixed cost reductions
- » Processes drive results:
 - Dana Operating System
 - VA/VE benchmarking and technical optimization
 - Operational KPIs and accountability



Design and Engineering



Spicer® AdvanTEK® Gearing Design



- » Developing modular designs that can be tailored to multiple end markets
- » Shared R&D, engineering and design leverage expertise across enterprise
- » Optimize materials, components, supply chain, and manufacturing footprint to support multiple business units
- » Drives customer focus and enables speed to market, operating efficiency, and asset flexibility

Ability to leverage investments across multiple markets is differentiating Dana



Manufacturing Synergies

Manufacturing Processes	BU Synergies
Heat Treating	●
Welding	●
Mechanical Fastening	●
Automated Assembly	●
Machining	◐
Hobbing	◐
Forging	◐
Casting	◐
Green Turning	◐
Hard Turning	◐

 Common Processes

» Manufacturing synergies exist across Dana's:

- Product portfolio
 - Axles
 - Driveshafts
 - Stamped Metal Plates
 - Gears
 - Transmissions
 - Heat Exchangers
- Manufacturing Processes
- Business units
 - Light Vehicle Driveline
 - Off-Highway Drivetrain
 - Commercial Vehicle Driveline
 - Power Technologies

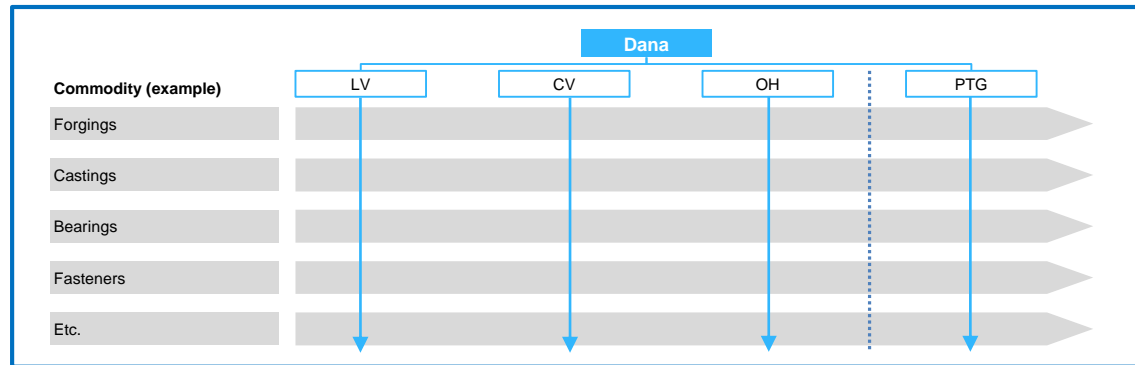
» Synergies provide significant competitive advantages:

- Manufacturing footprint
- Product/process sharing
- Operational efficiency
- Capital utilization/shared equipment

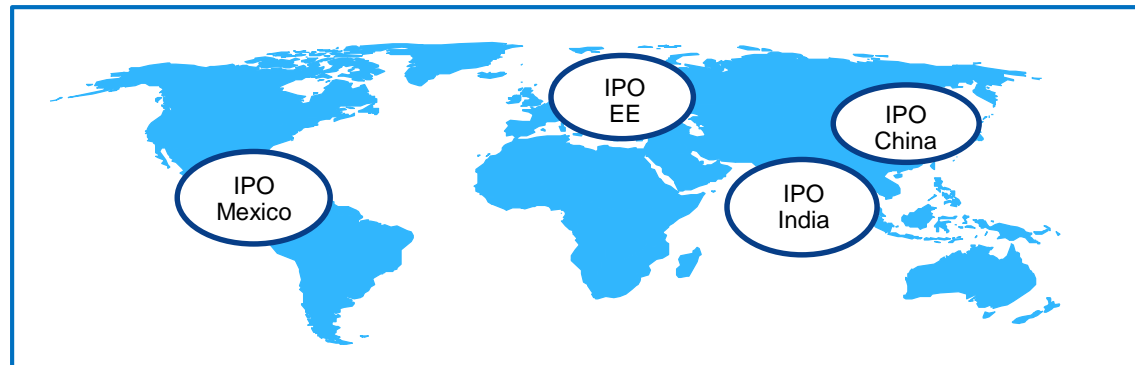
Purchasing and Supplier Development

Organizational Evolution

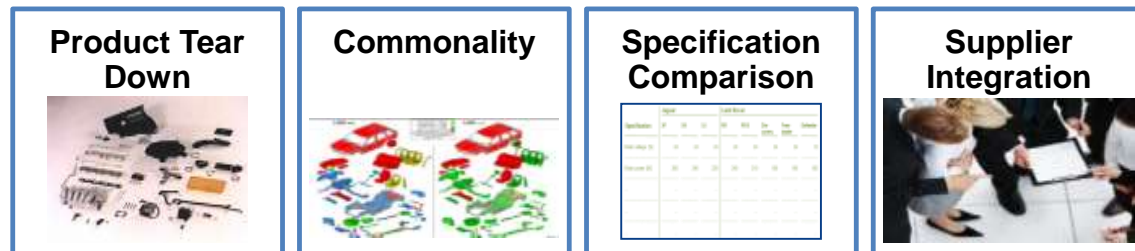
Global Commodity Management



International Purchasing Offices

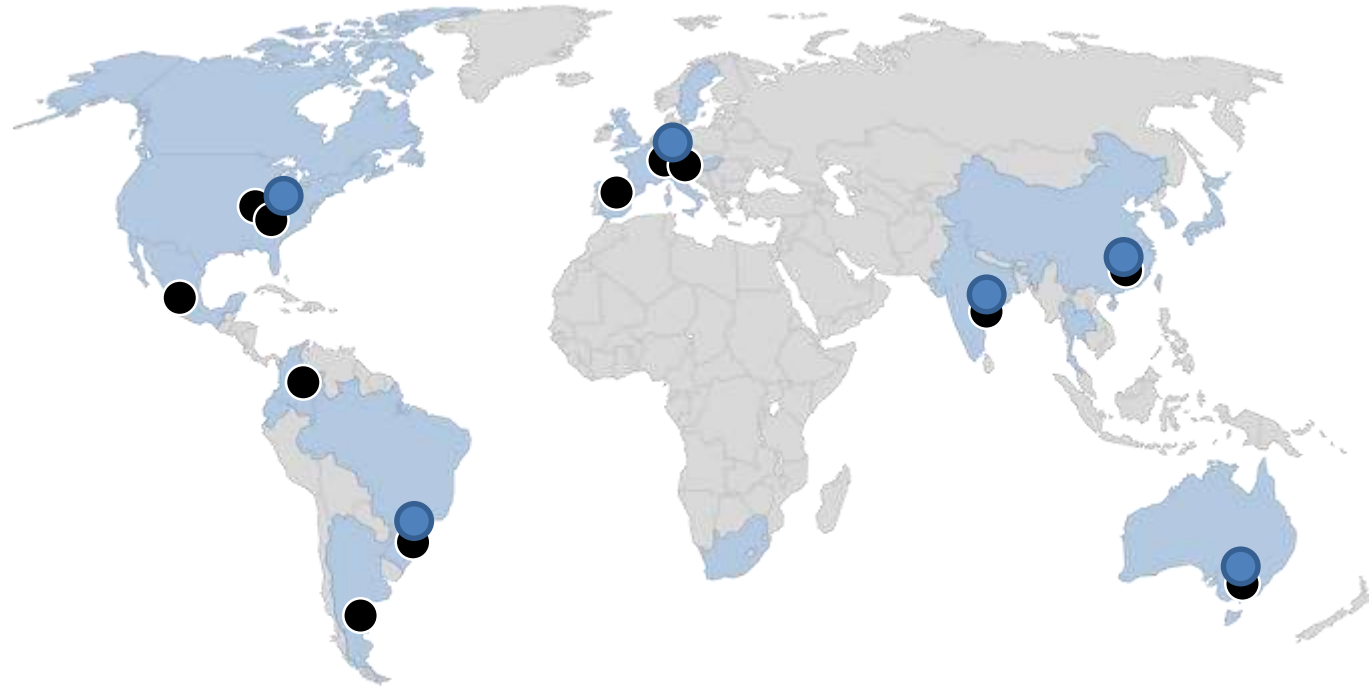


Complexity Optimization



- » Centralized purchasing organization leveraging the enterprise volumes
 - 25% of supply base shared across business units
- » Leveraging Dana's international purchasing infrastructure to drive commodity strategies
- » Reducing product and process complexity driving cost reduction

Aftermarket



● Regional Headquarters ● Distribution Centers

- » Aftermarket customers purchase products from all Dana business units
- » Single point of contact and unified supply chain with 13 shared global distribution centers
- » Increasing focus on significant growth opportunity; expanding footprint and offering



Magnum™ Gaskets



- » Increased penetration in North American aftermarket
- » Opened new commercial channel for Dana
- » Product portfolio addresses over 90% of vehicles on the road
- » Added key data management and cataloging capability

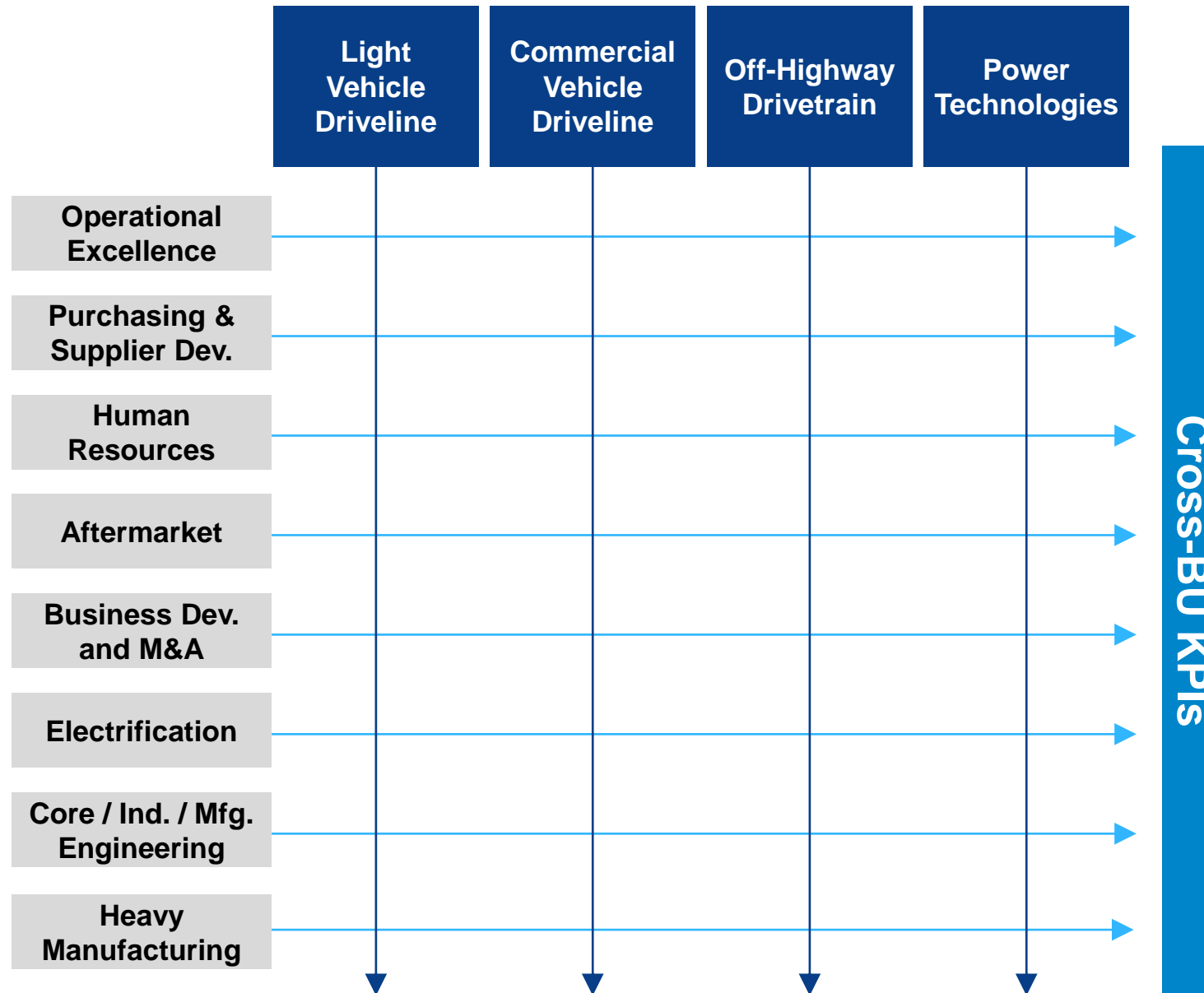
SIFCO



- » Strengthens Dana's core competency in metal forging and machining
- » Supports local content requirements
- » Expands Dana's current product offering
- » Eliminates supply-chain risk
- » Improves cost structure

Conditional upon acquisition completion

Functional Specialization



- » To Leverage the Core, Dana is...
 - Organizationally “designed for success”
 - Benefiting from cross-company technical expertise
 - Optimizing performance
- » Early indicators suggest significant synergistic opportunities through:
 - Collaboration
 - Teamwork

Technical expertise leveraged across business units

Leverage the Core



- » Increase sharing of resources across business units
- » Unlock value by leveraging core capabilities, technology, assets and people across the enterprise
- » Operating model emphasizes shared enterprise functions
- » Acquisitions will amplify benefits of leveraging our core



Strengthen Customer Centricity

Mark Wallace

President, Commercial Vehicle Driveline Technologies



Strengthen Customer Centricity



- » Shifting from **transactional to relational** customer interaction
- » Delivering **unparalleled technology** at exceptional quality, delivery and cost performance
- » Entrusted with global and flagship programs; capitalizing on **future outsourcing initiatives**



Customer Centricity



“We value the effort Dana puts towards finding mutually beneficial solutions”

– Director of Purchasing for OH OEM

“Relationship, strategic partnership, product quality and cost competitiveness are the reasons why we stick with Dana”

– VP Purchasing for LV OEM

“Dana provides good quality, delivery, and flexibility”

– VP Engineering for LV OEM

“Dana works closely with us to help solve our customer's problems”

– VP Purchasing for CV OEM

“We value Dana's willingness to tailor their products to meet our needs” *– VP Product Management for OH OEM*

“Being collaborative and having a pragmatic management are the highlights of Dana”

– VP Purchasing for large OH company



- » Culture of **partnering** with customers **to create value**
- » Customer centricity drives tangible activities
- » **Evolving** global capabilities as OEM landscape changes



Strategic Relationships



Select OEMs in Multiple End Markets



- » Strategic enterprise relationships
- » Positioned to support OEMs' need for a **global partner**
 - Global footprint
 - Core technologies
- » Trust and confidence in **ability to execute**

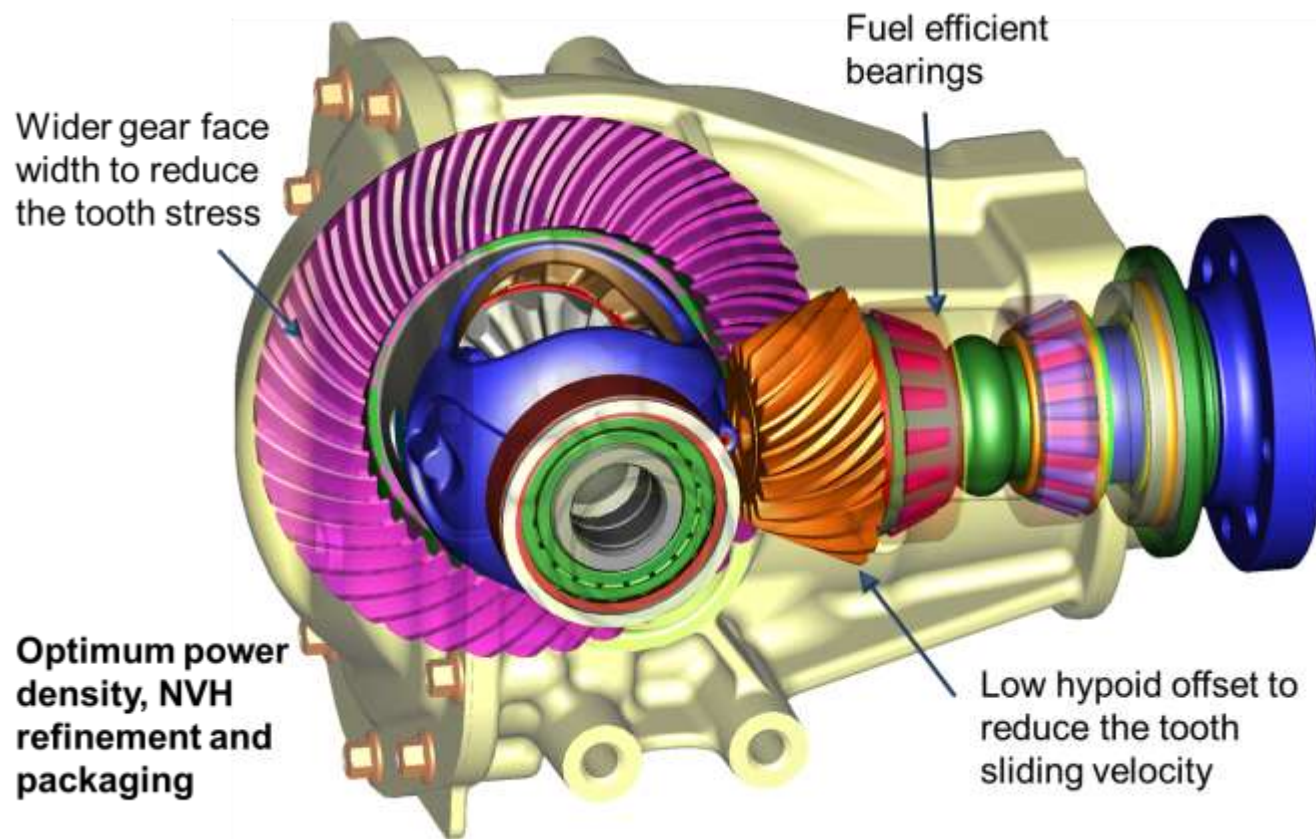


Customer Value



SPICER®

AdvanTEK®



- » Product technology and application engineering drive **deep customer relationships**
- » Consistently advancing core technologies to meet **evolving customer needs**



Spicer® AdvanTEK® Family Range



Flagship Vehicles



» Entrusted with the **most prominent** and highly visible **flagship vehicle programs**



» Relationship can extend 25+ years

NAVISTAR[®]



2016 Tractor of the Year



Capability to Support Global Programs



MASSEY FERGUSON



RANGER



- » Global platforms becoming **strategically critical** for OEMs
- » Dana **uniquely positioned** through
 - Technology
 - Manufacturing footprint
 - Supply chain
 - Organization
- » Recognized track record of **strong execution** driving business wins
- » Dana supports top four global light truck programs



Positioned for OEM Outsourcing Initiatives



DAIMLER



Mahindra



- » Market and **technology** trends **driving** increased **outsourcing initiatives**
- » Flexible manufacturing to **support** higher content
- » Leverage core **capabilities** **to win** new business





Expand Global Markets

Bob Pyle

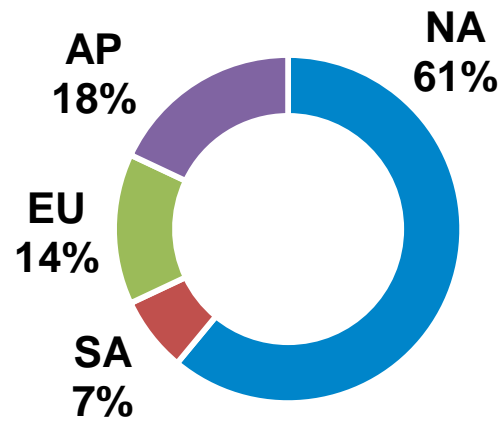
President, Light Vehicle Driveline Technologies



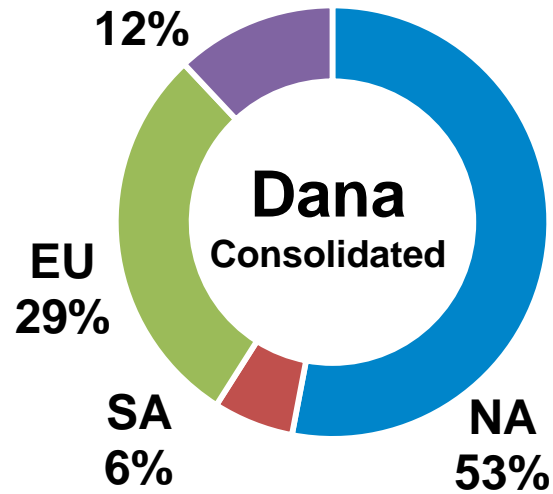
Regional Sales Distribution

2015 Sales by Region

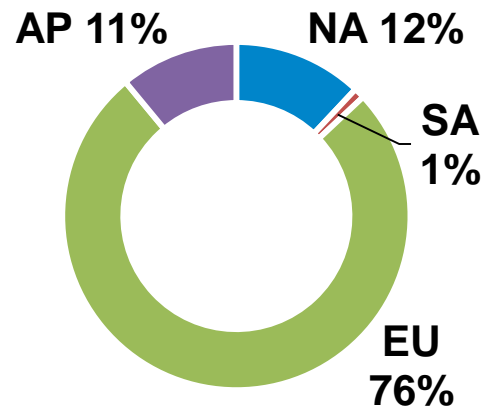
Light Vehicle Driveline



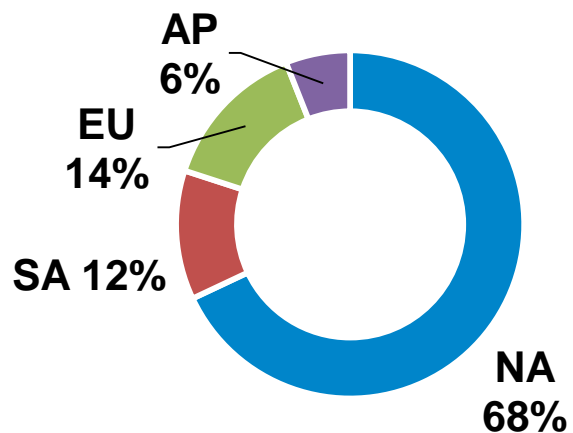
AP 12%



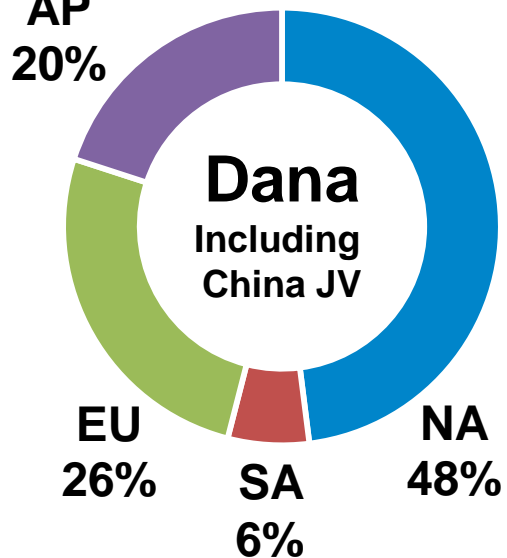
Off-Highway Drivetrain



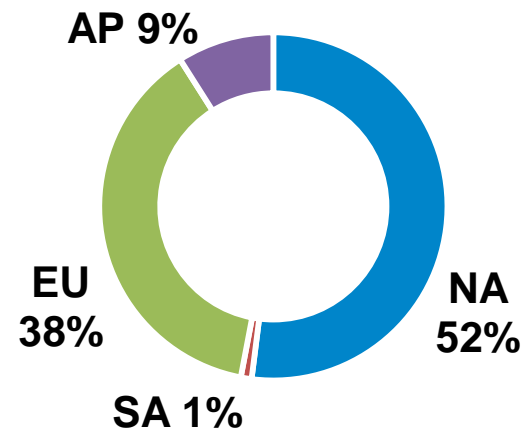
Commercial Vehicle Driveline



AP 20%



Power Technologies



- » Sales weighted toward North America and Europe
 - More balanced when including China JV
- » Opportunity to **expand** position in **under-served regions**
- » Asia is a **growth priority** across the enterprise

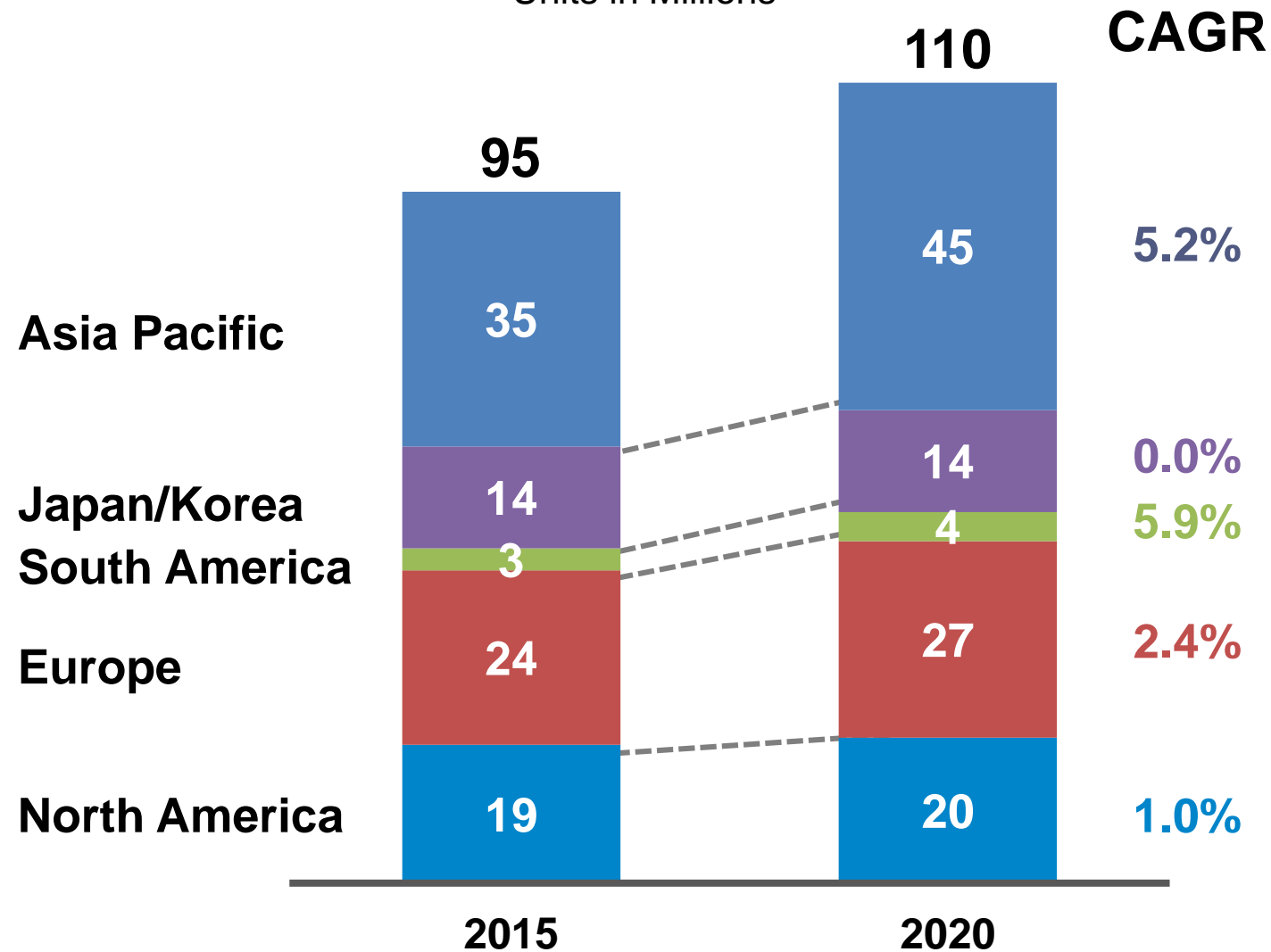


Expansion in Asia



Global Vehicle Production

Units in Millions



- » Increased focus on **Asia is key for growth**
- » Leverage relationships to **support global OEMs**
- » **Expand** relationships with **local OEMs**

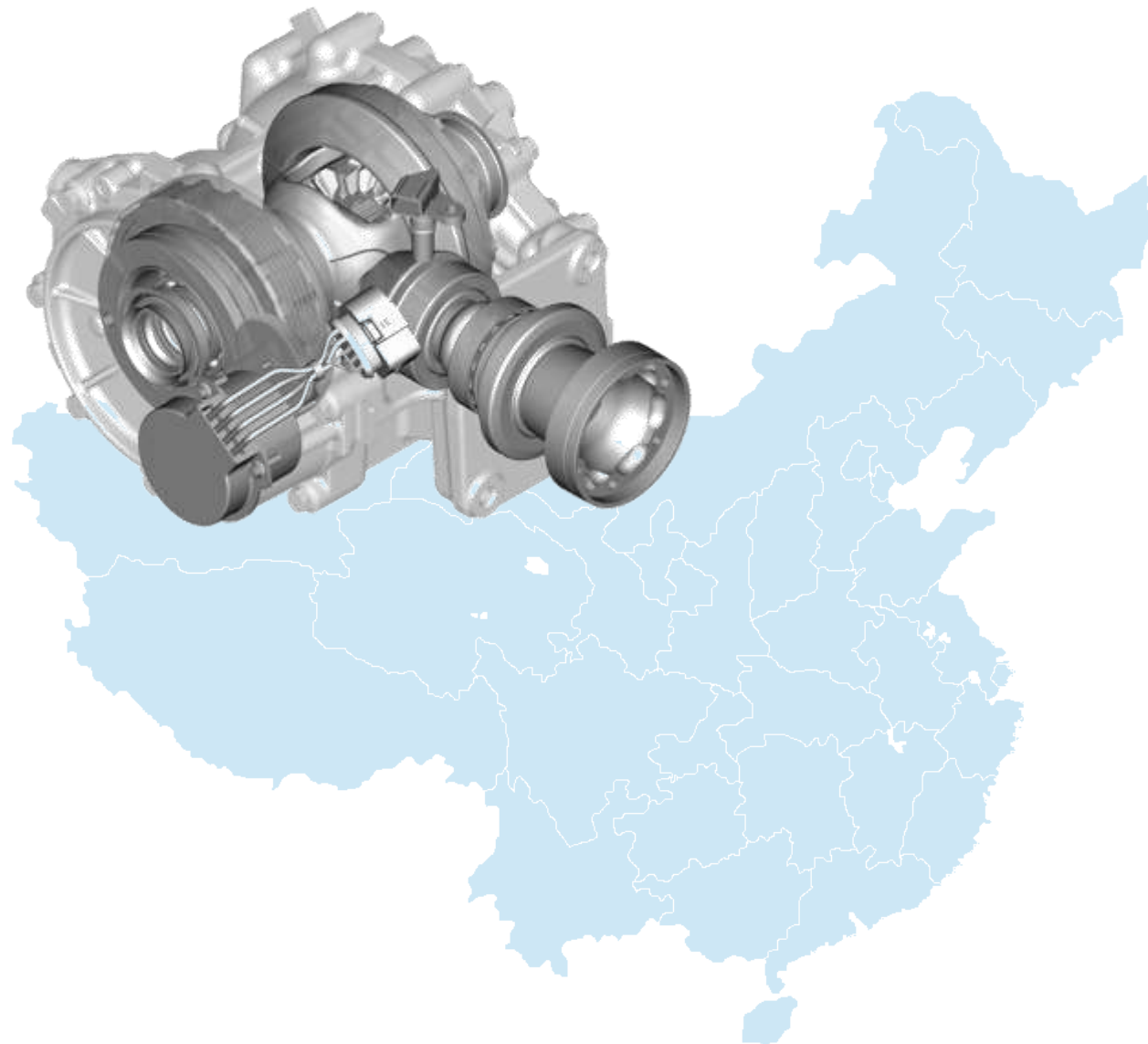
Source: IHS, OSR, Roland Berger



Driving New Sales



China Expansion



- » Asian backlog expanding rapidly
- » All-wheel-drive program for global OEM announced in February
 - Growth in emerging markets
 - Double Dana's Light Vehicle Driveline sales in China



Expanding Regional Footprint

Recent Footprint Expansion



Wuxi
Tech Center



2013



Quito
Manufacturing

2014



Cedar Park
Tech Center



2015



Rayong
Gear Plant

2015



Rovereto
Tech Center



2015



Toledo
Manufacturing

2017



Gyor
Gear Plant



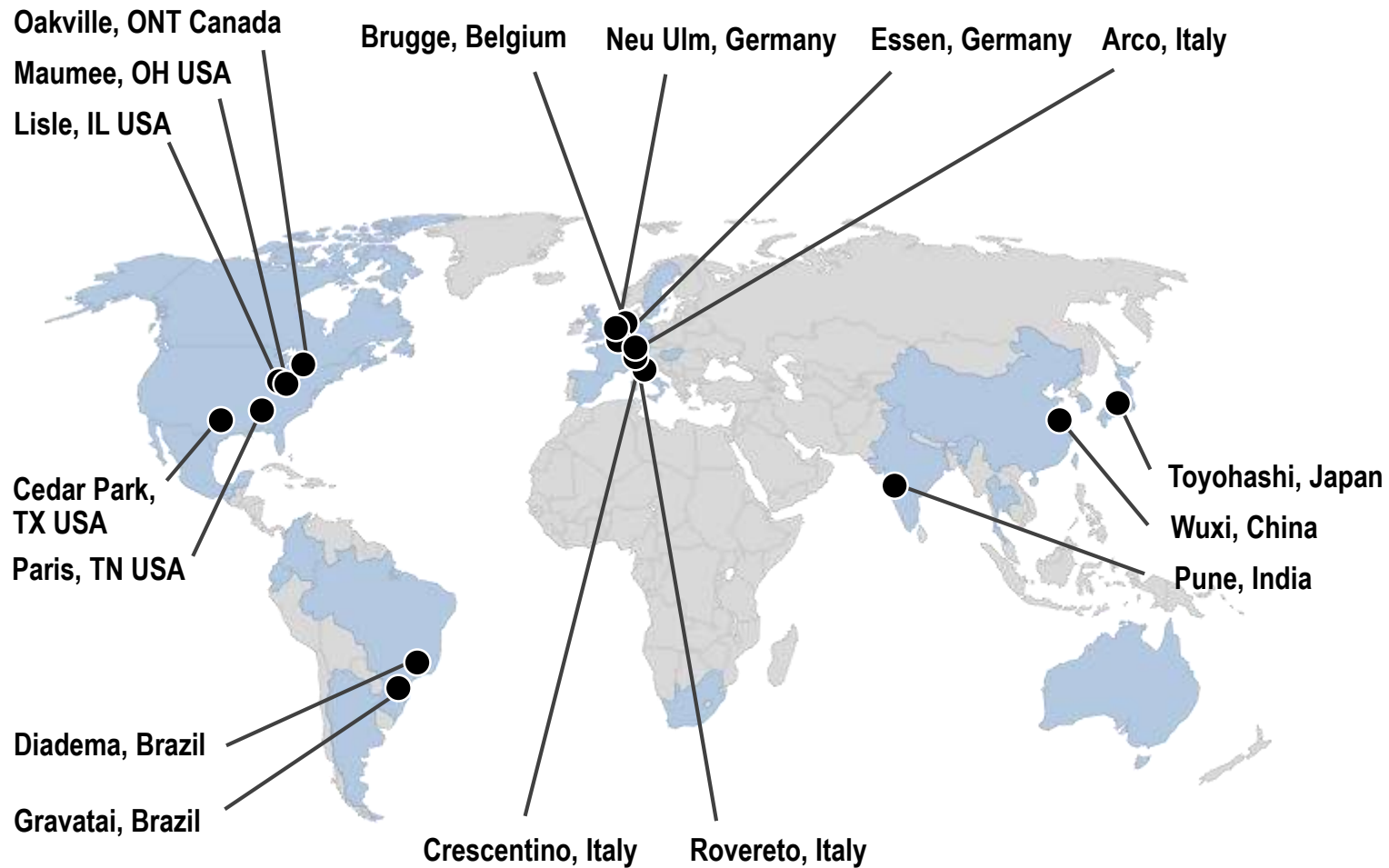
2017

- » **Experience** serving global customers **across global markets**
- » Expanding, sharing, and optimizing global footprint to **drive growth**
 - Plants, technical centers, people
- » Customers trust our **ability to execute** and manage complexity globally



“Glocal” Engineering

Dana Global Technical Centers



» **Global** engineering footprint

- R&D centralized
- Application engineering in-region

» **Local** resources aligned with key customers and growth opportunities

- Optimized products for local needs
- Closer to customer
- Faster to market

Experience in Emerging Markets

Dana Operates in Key Emerging Markets

	Country	Operation Founded	Years in Operation	Manufacturing Facilities
	Brazil	1947	70	8
	India	1962	54	10
	South Africa	1966	50	1
	China	1991	25	4*

*Additional four facilities with DDAC

- » Dana has approximately 200 years in emerging markets
- » Global OEMs turn to Dana for Support
 - Complex global programs
 - Financial and political turbulence
- » Brazil has 70 years supporting LV and CV customers, leveraging facilities to expand in Off-Highway and Power Technologies

Partnering with Global Customers

*Dana content on
"Top 4"
global compact
pickup programs*

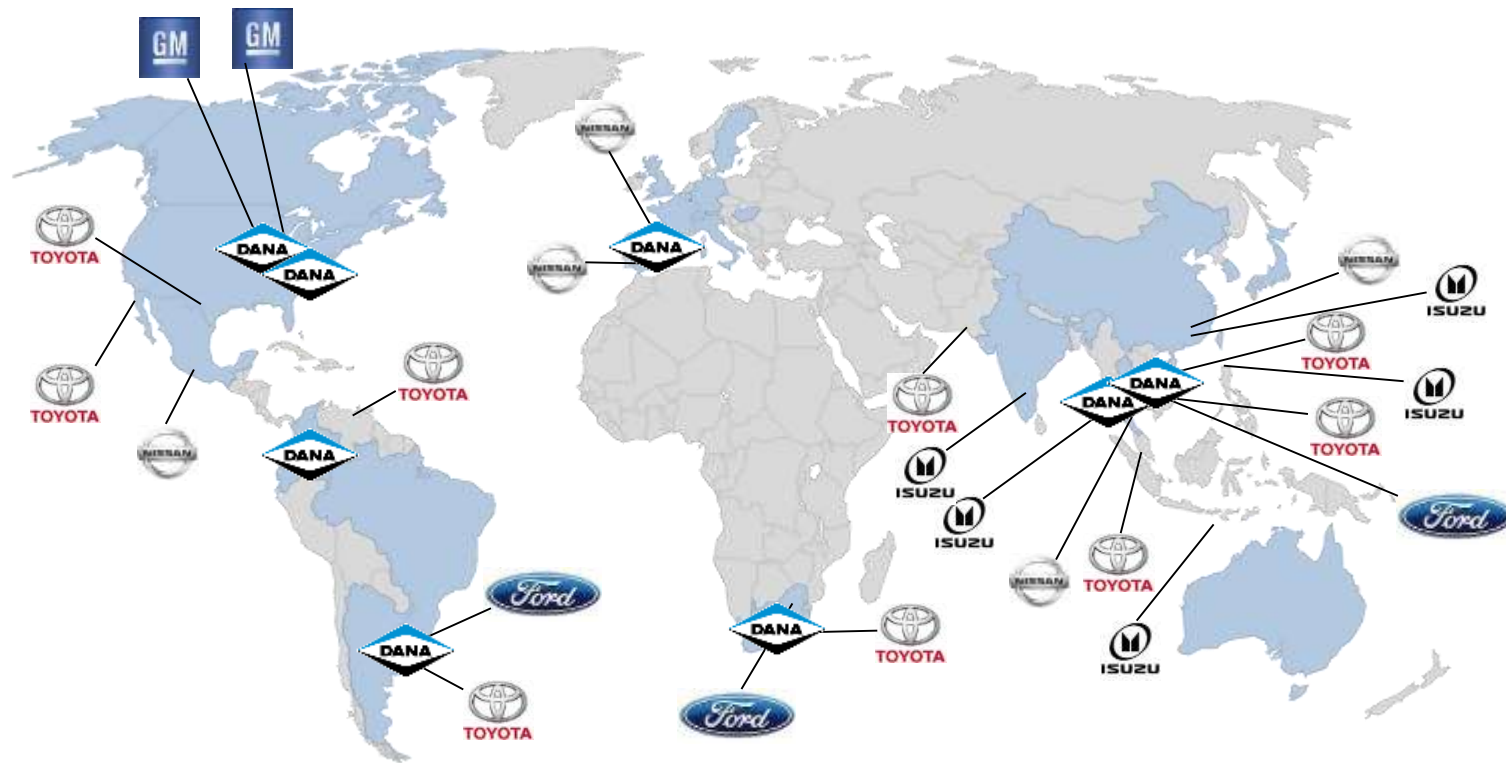


» Dana supports complex global vehicle platforms

- Footprint aligned with customers to provide optimal logistics and local content
- Regional support and customer responsiveness
- Internally coordinated through Dana Program Management Office (PMO) system




Align With Key Customers

Customer Assembly Locations



- » Dana global footprint aligned with customers
- » Geographic breadth and strong execution drives growth

 T6 Program
Ranger
 HGRA Program
Frontier/Navarra

 IMV Program
Tacoma/Hilux
  D-Max Program
Colorado/Canyon/Rodeo



Localized Offerings

Spicer® Heavy-Duty Single Axle



Spicer RuiMa® Transmission



- » Modular designs **tailored to support** multiple markets
- » **Ability to configure** functionality to meet local requirements
- » Differentiator for Dana

Recognized Global Brand Position

Dana Brand on Vehicles



Prominence in OEM Advertising



- » **Dana brands recognized** by consumers across markets
- » **Local OEMs** seeking better technology and reliability to **compete globally**
- » Increasing OEM **reliability** drives **credibility** with end consumers

Geographic Expansion



- » Investing to **optimize global footprint** and align with customers
- » Focused on under-served regions and **driving disproportionate growth in Asia**
- » **Success** in emerging markets driven by **locally engineered** and branded solutions



Commercialize New Technology

Dwayne Matthews
President, Power Technologies



Commercialize New Technology

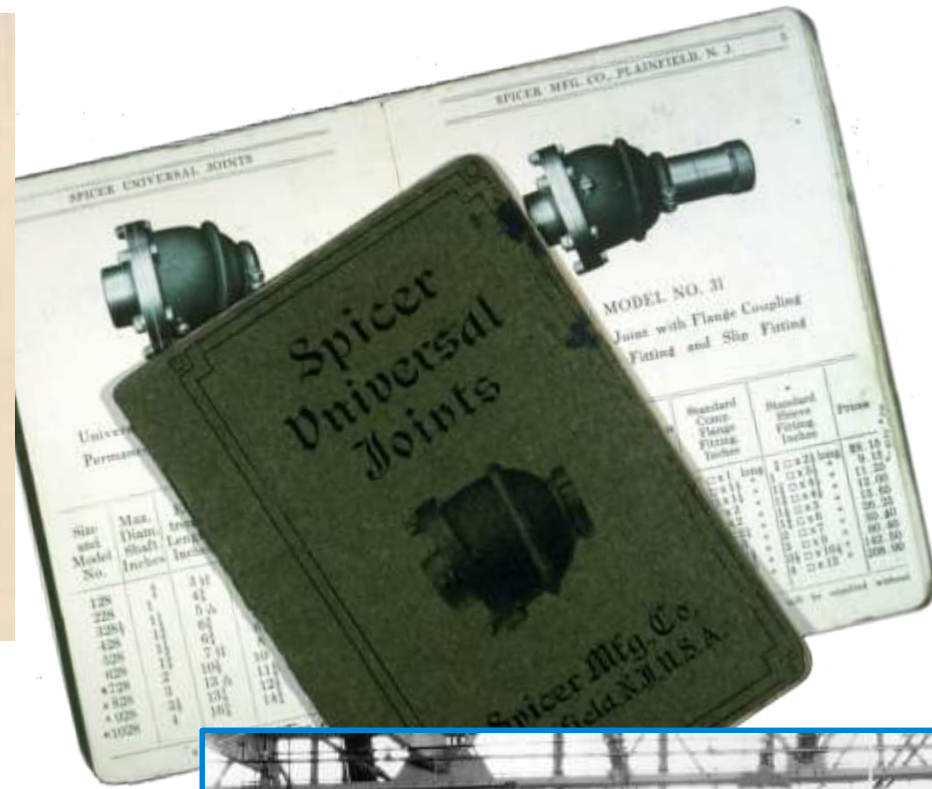


- » **Investing in technology** that helps customers address key secular trends
- » **Increasing content per vehicle**
 - Heat from downsized engines and electronics driving greater need for thermal-management solutions
 - Adoption of AWD architectures creates driveline growth opportunity
- » **Commercializing previous investments** to drive sales and profit growth

Dedication to Innovation



Clarence Spicer



- » Over **100 years** of Innovation
- » Over **10,000 patents**
- » Nearly **\$200 million investment** in engineering and development this year



Market Validation



Best Engineering
Performance Award



Annual Best Battery
Solution Provider

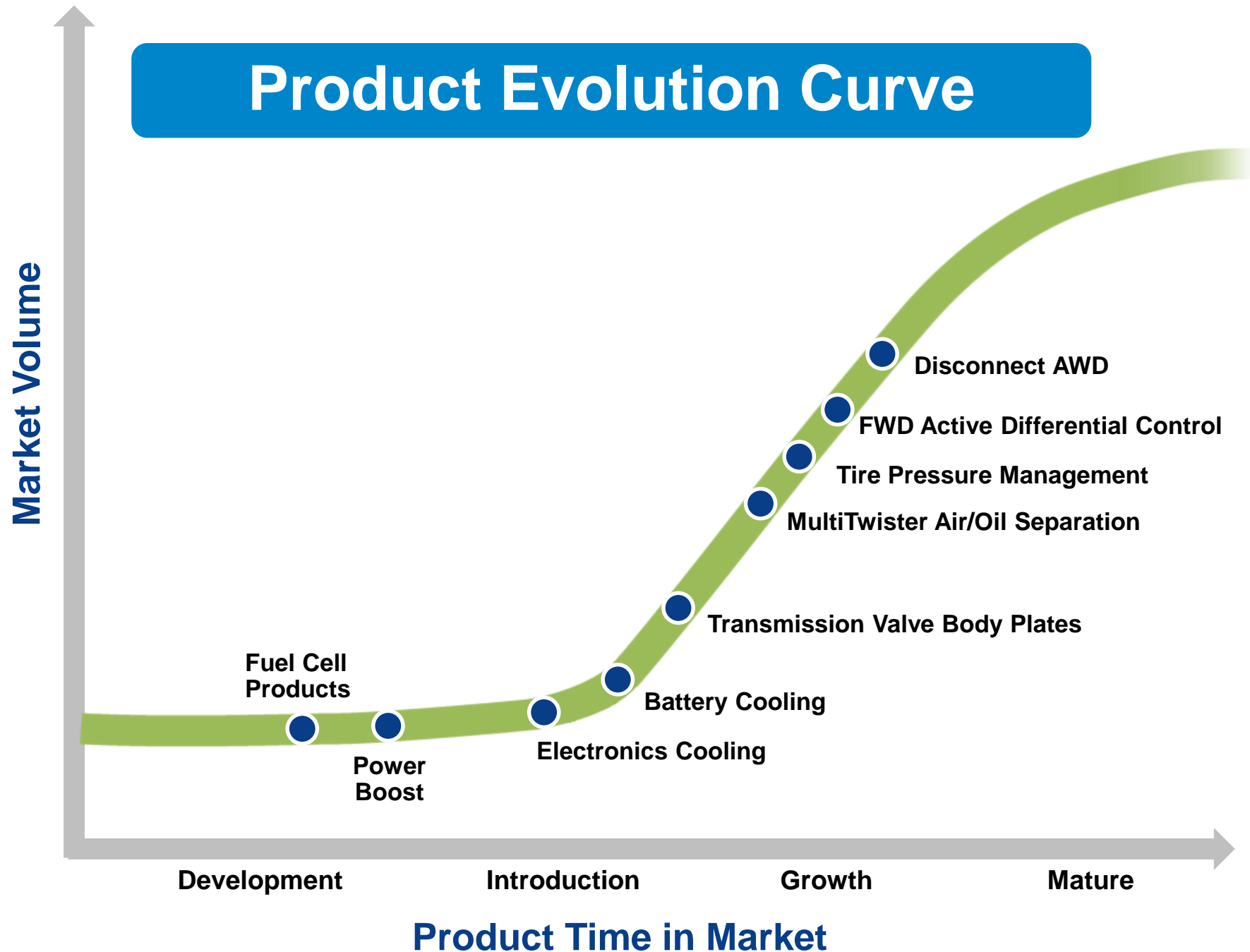


Caterpillar Supplier Quality
Excellence Process



Commercializing New Technology

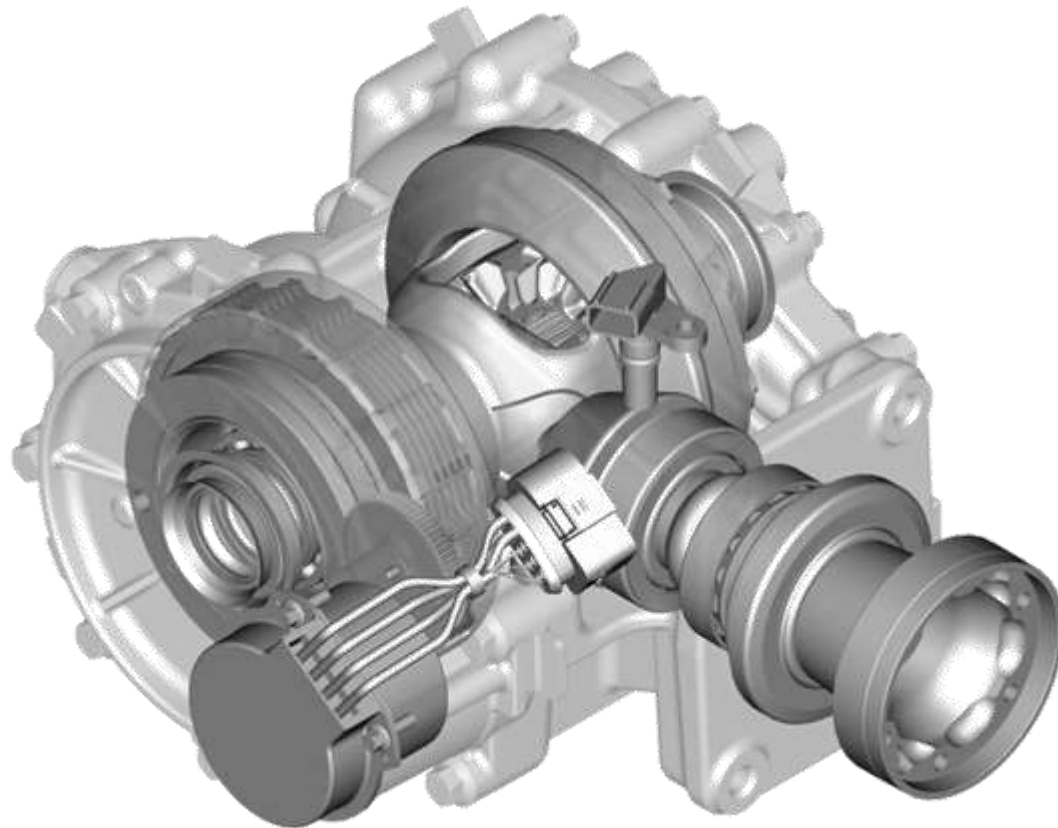
Product Evolution Curve



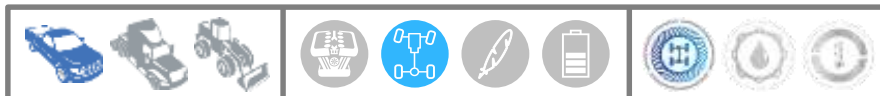
- » Driving innovation that meets customer and market needs
- » Capitalize on secular trends and increase CPV
- » Robust development roadmap supporting all product categories and end markets
- » Actively manage pipeline with initiatives in all phases

All-Wheel-Drive Connect-Disconnect

Spicer® SmartConnect™



- » **Fuel efficiency** of front wheel drive with the **safety** and **control** of AWD
- » Dana's 2nd generation product focuses on premium car and truck segments
- » Leverages existing knowledge of AWD technology and applications



AWD Connect-Disconnect Video



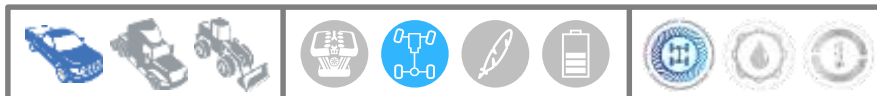
FWD Active Differential Control



Spicer® PerformaTrak™



- » Adds AWD like performance to FWD vehicles
- » Opportunity to **enter FWD market** with innovative offering that can increase content per vehicle
- » Potential entry point into **emerging markets**, where OEMs are looking for a cost-effective solution



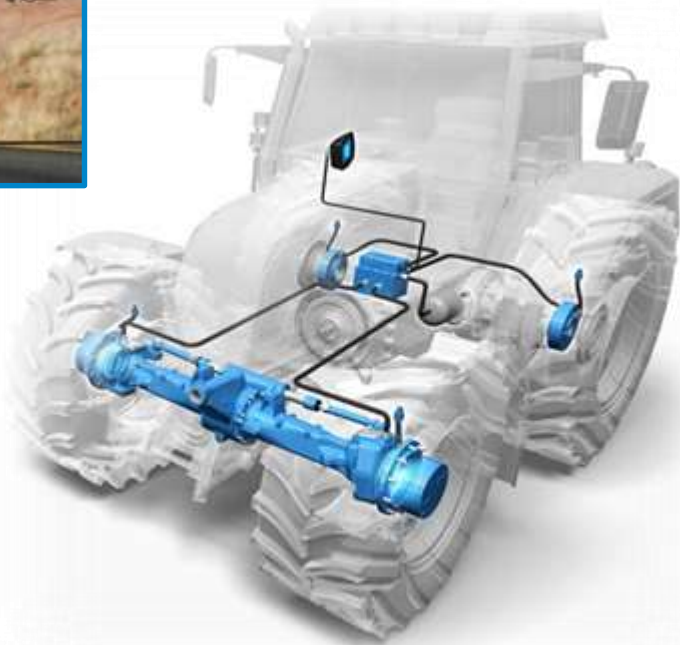
FWD Active Differential Control Video



Tire Pressure Management

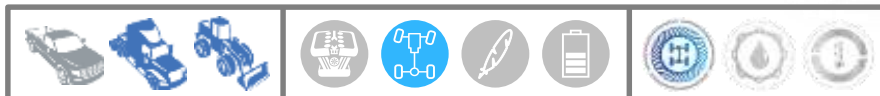


Spicer® OpTiMa™



- » Our solution **manages tire pressure** through the axle
 - Rather than more cumbersome external and aftermarket products
- » Leverage existing capabilities
- » PACE Award finalist for 2017

Automotive News
PACE
AWARD  Building a better working world  A Division of WEMA



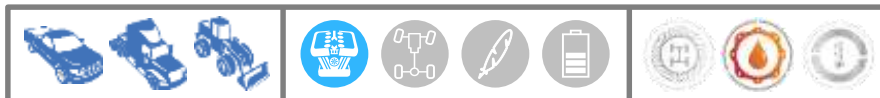
Tire Pressure Management Video



Air/Oil Separation Systems



- » Needed for new downsized turbocharged engines
- » Air/Oil separation systems are key to engine performance and emission compliance.
- » Creates opportunity for Dana as OEMs look for improved solutions



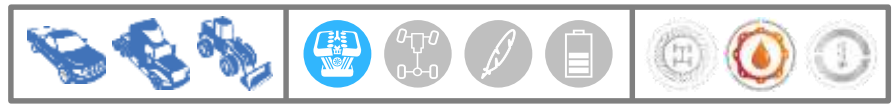
Air/Oil Separation Systems



Adaptive Victor Reinz® MultiTwister®



- » Downsized engines with turbo chargers need clean air flow to:
 - Maximize power and efficiency
 - Protect sensitive components
- » Patented “MultiTwister” technology designed to be packaged inside the cam cover to:
 - Deliver maximum efficiency with minimal cost
- » PACE Award finalist for 2017

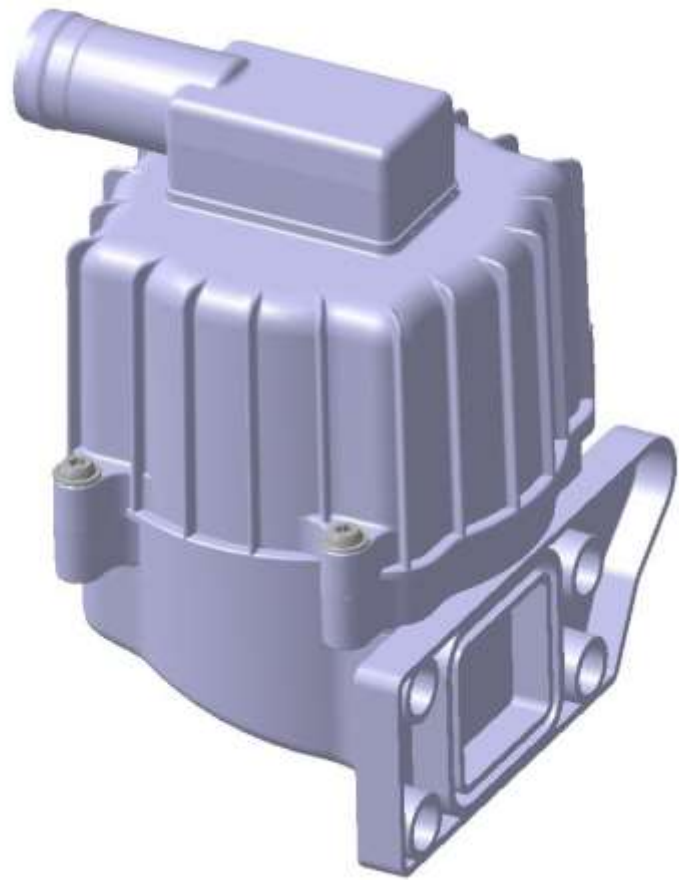


Air/Oil Separation Systems Video

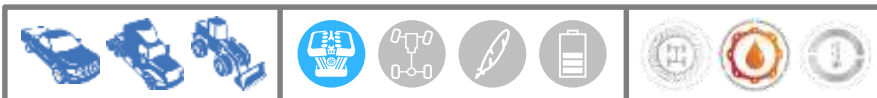


Active Air/Oil Separation Systems

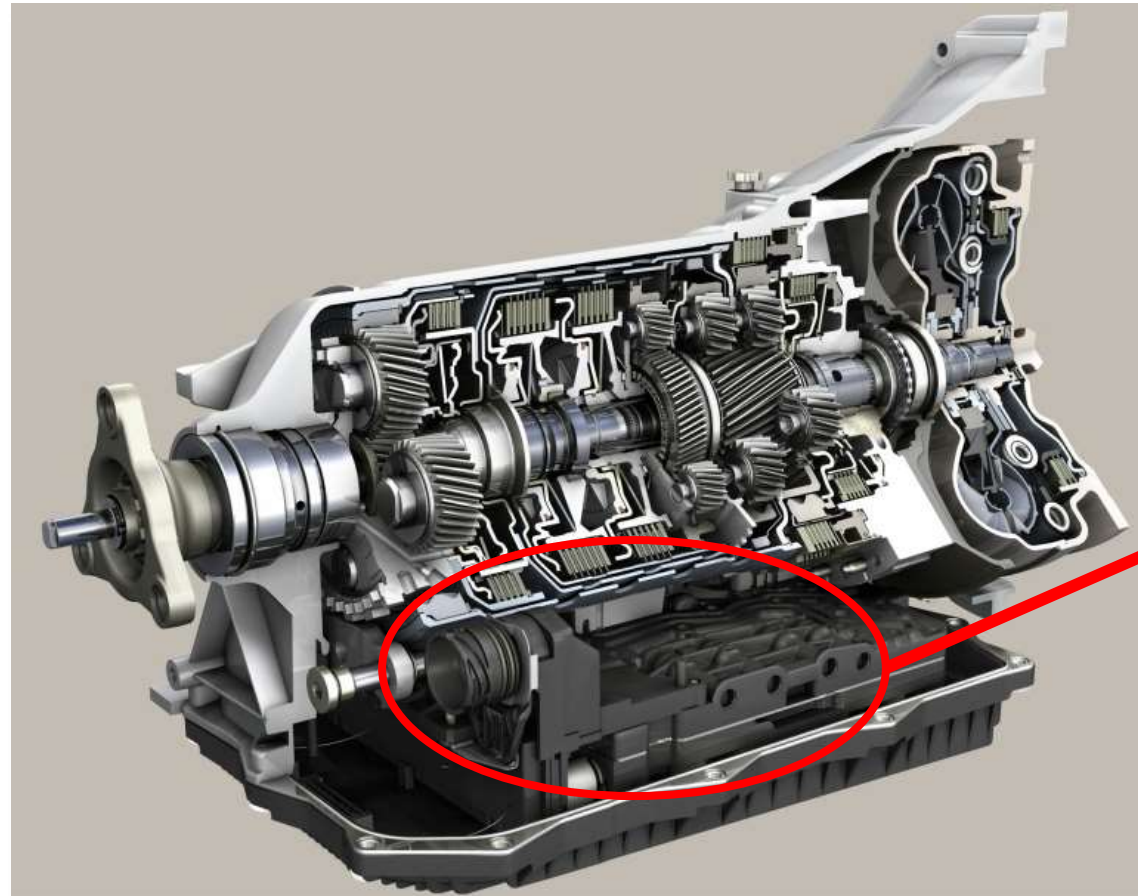
Active Victor Reinz® MultiTwister®



- » **Next level of efficiency** that will meet more stringent emission regulations
- » Hydraulically or electrically powered to separate oil from air at a very high efficiency rate



New CVT and Double Clutch Transmissions



Key transmissions driving the future require improved sealing technology



Transmission Separator Plates

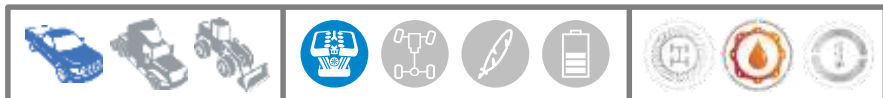
Victor Reinz® TSP



- » Increases the efficiency of CVT and double clutch transmissions
- » Dana sealing technology allows for a lighter, more efficient transmission with fewer fasteners and smaller pumps



C L E P A
*European Association of
Automotive Suppliers*



Transmission Separator Plates Video



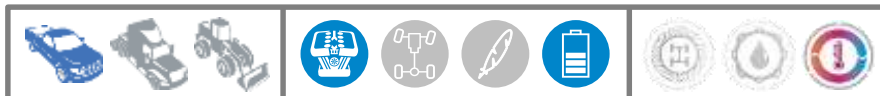
Electronics Cooling



Long[®] ThermaTEK[™]



- » Modern connected vehicles utilize high-power electronic systems
- » Power Inverters produce more heat in a smaller area and must be cooled to prevent damage
- » Dana's solution, a PACE Award finalist in 2016



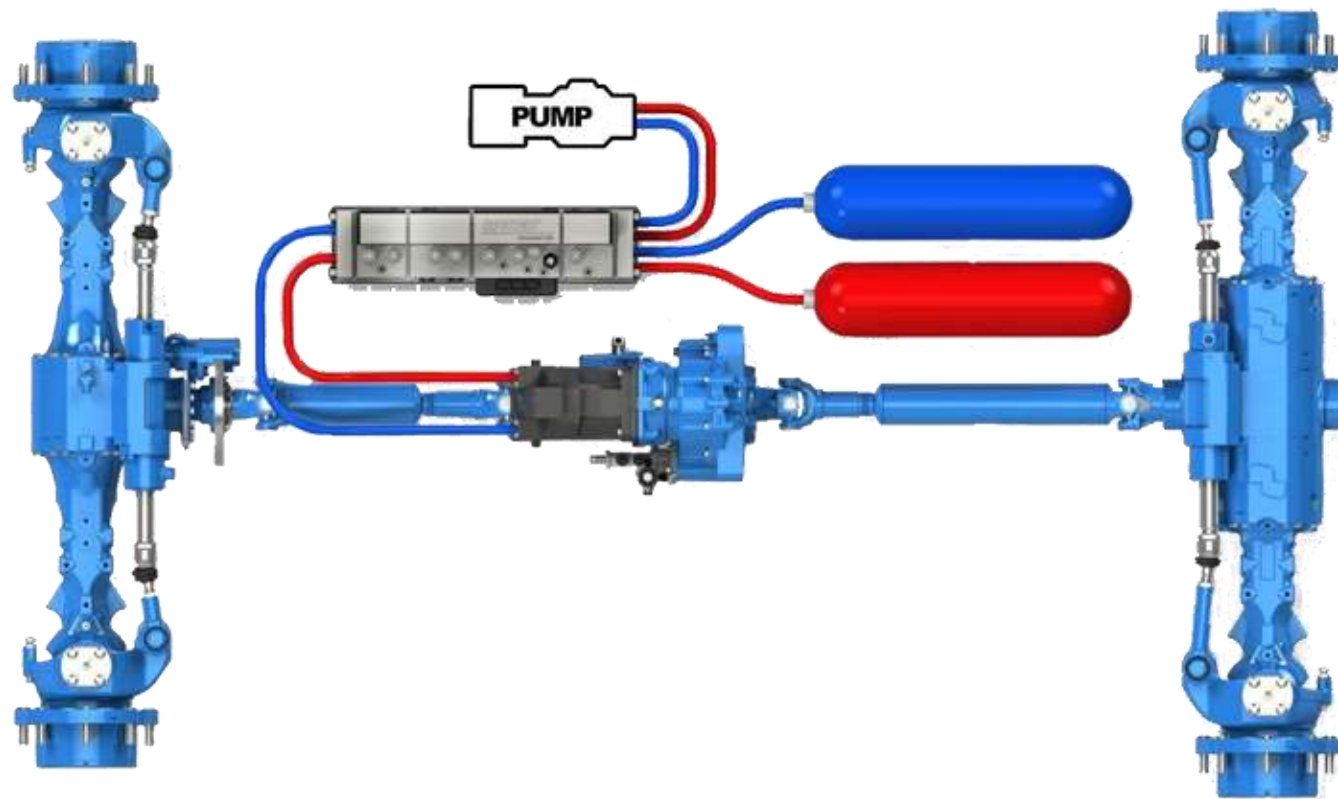
Electronics Cooling Video



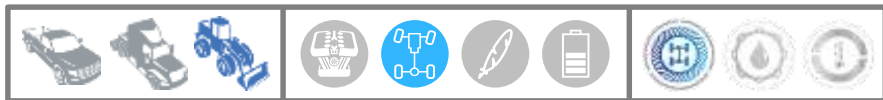
Hydraulic Hybrid Systems



Spicer[®] PowerBoost[®]



- » **Solution** for off-highway hybridization
- » Extension of existing PowerBoost[®] hub mechatronics
- » Opportunity to provide **additional content** to existing OEM customers



Hydraulic Hybrid Video



Commercialize New Technology



- » **Investing in technology** that helps customers **address key secular trends**
- » **Increasing content per vehicle** in driveline and power technologies
 - Expanded thermal-management needs to address heat from engines and electronics
 - Adoption of AWD architectures creates driveline growth opportunity
- » Commercializing previous investments to **drive sales and profit growth**





Accelerate Hybridization & Electrification

Aziz Aghili

President, Off-Highway Drivetrain Technologies





Dana's Electrification Strategy

- » Vehicles that utilize Dana's current driveline products, mainly full frame trucks and larger vehicles, will continue on a growth trajectory using traditional internal combustion engines
- » These vehicles are expected to transition toward hybrid and electric propulsion much later in the cycle due to the high power and torque they require
- » Smaller passenger vehicles, transit buses, and city delivery vehicles will be moving more quickly to hybrid and electric architectures and represent an attractive growth opportunity for Dana to expand our addressable market and increase our content per vehicle
- » Dana is leveraging our deep drivetrain capabilities to deliver innovative products for these applications and establish a strong foundation to support future electrification in our traditional larger vehicle markets



Accelerate Hybridization and Electrification

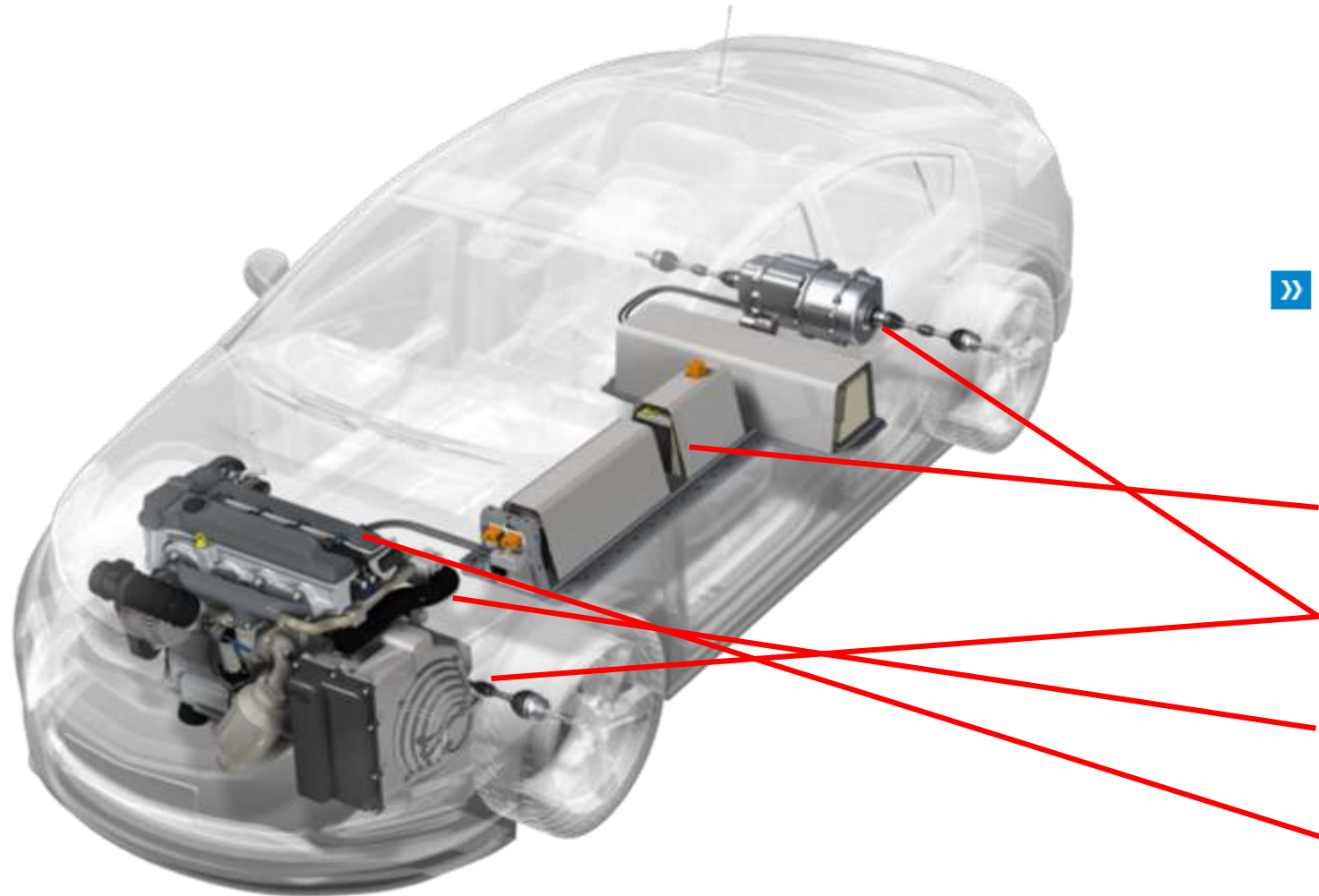


- » Dana **currently benefits** from electrification of the powertrain through battery cooling
- » Dana's evolving portfolio of hybrid electric driveline solutions represents **significant opportunities for growth**

Hybrid Electric Opportunities



Hybrid Vehicle Content



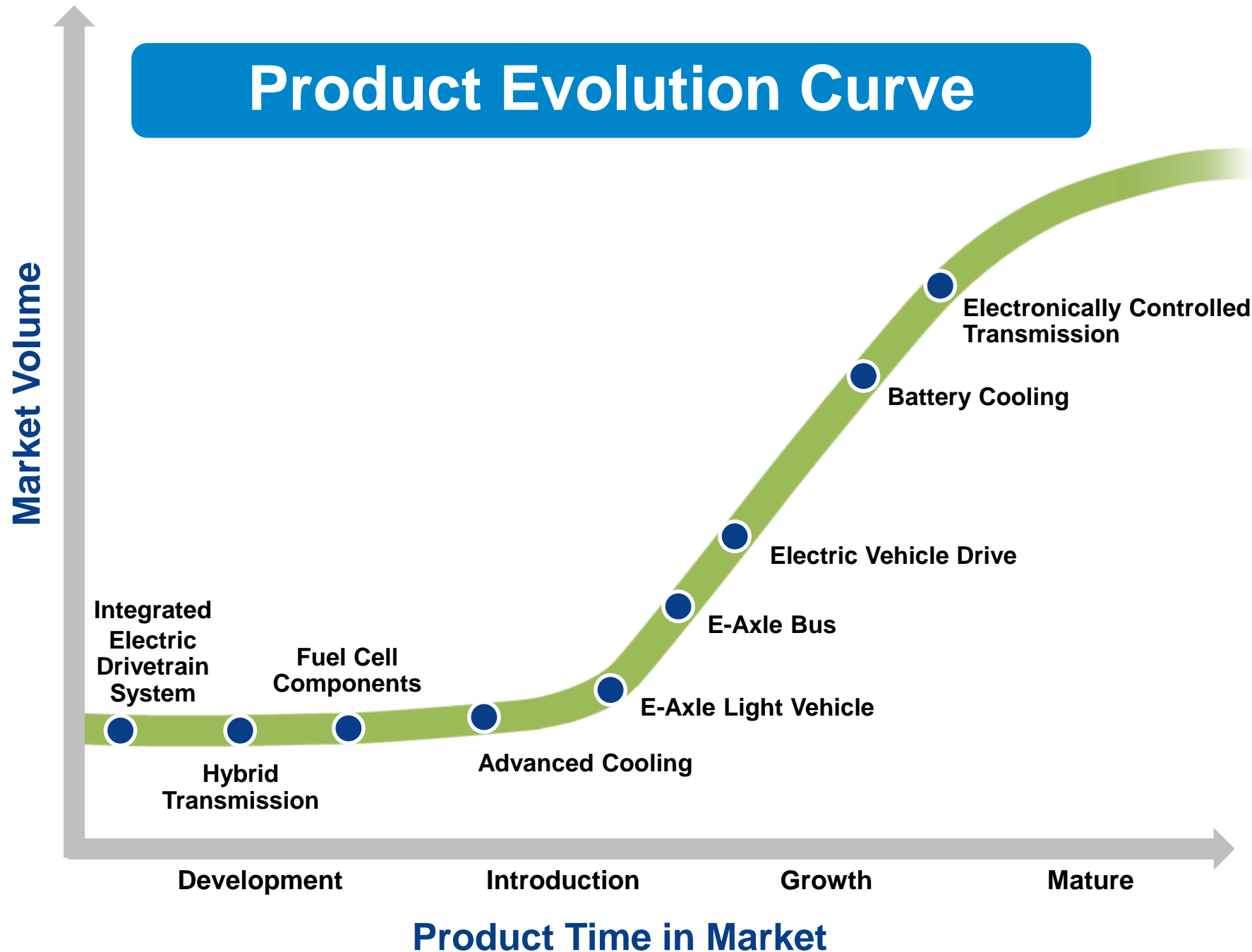
- » Hybrid electric vehicles **increase addressable market** for Dana
- » Incremental CPV opportunity in technology solutions
 - Battery & Electronics Cooling
 - E-Axles
 - Hybrid Transmissions
 - Integrated System Controls



Electric and Hybrid Technology Roadmap



Product Evolution Curve



- » Driveline products will evolve with advancements in electric propulsion
- » New product initiatives **focused on most attractive growth segments**
- » Innovation leverages competence in driveline controls, power transfer and thermal management
- » Leverage investments **across multiple end markets**



Electronic Transmissions

Electronically Controlled Transmissions



Hydrostatic



Hydrodynamic



Powersplit

Centers of Excellence



Brugge, Belgium
Advanced Controls

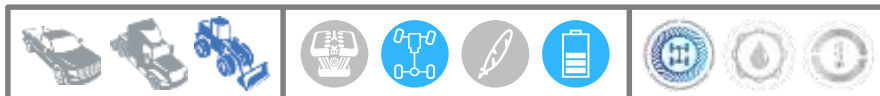


Rovereto, Italy
Mechatronics Center



Maumee, Ohio
Technology Center

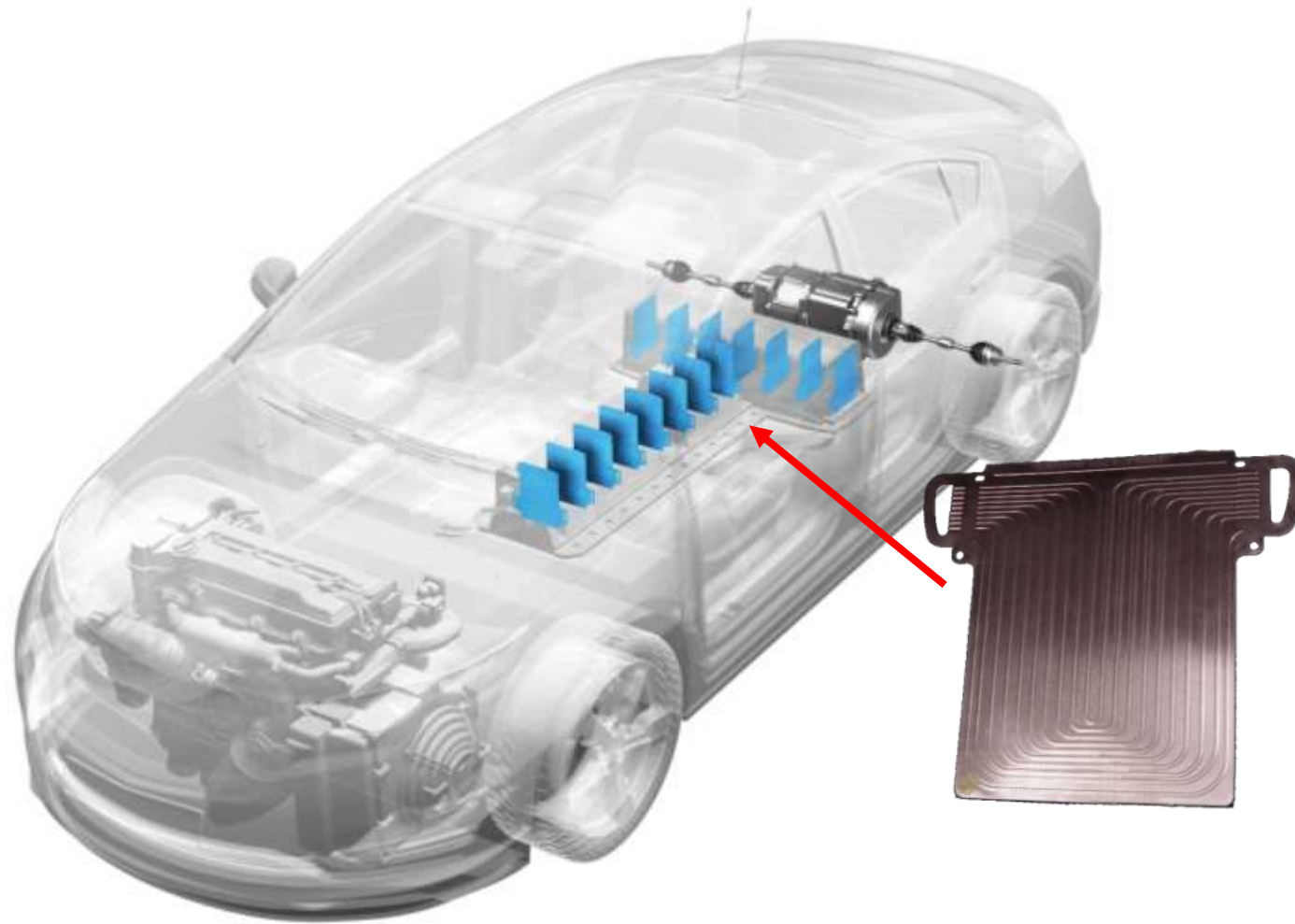
- » Supply electronically controlled transmissions into the off-highway market since 1990s
- » Created a strong foundation in mechatronics and controls that can be leveraged into hybrid and electronic drivetrain products
- » Experienced engineers in technology centers in Italy and Belgium



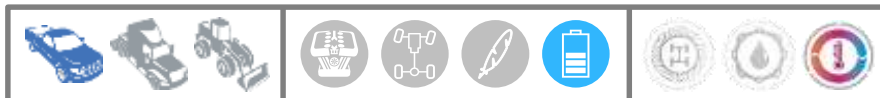
Battery Cooling



Long[®] ThermaTEK[™]



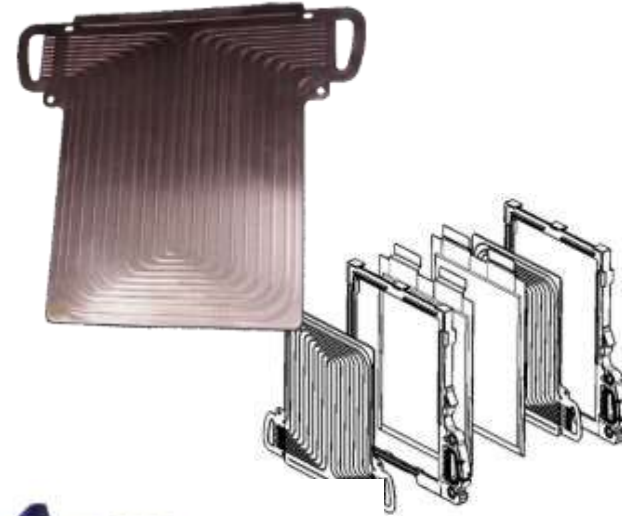
- » InterCell element cooling to provide optimum thermal management
- » Ultra-thin design to minimize space requirements



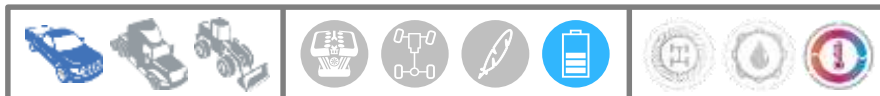
Battery Cooling



Long[®] ThermaTEK[™]



- » Thermal management is a critical function in all hybrid and electric vehicles
- » Dana has industry-leading brazing providing exceptionally clean products
- » Best performance solutions, offering improved battery life, fast charging potential, and flexible packaging

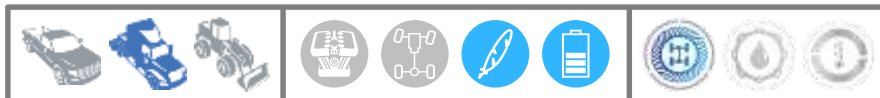


E-Axles – Buses and Delivery Trucks

Spicer® Helios™ Integrated E-Axle



- » Electric transit bus segments growing due to local regulations
- » Fully integrated motor and gear box, leveraging Dana knowledge of bus chassis drivetrain applications
- » Launch planned in 2018
- » Extend solution to city delivery truck



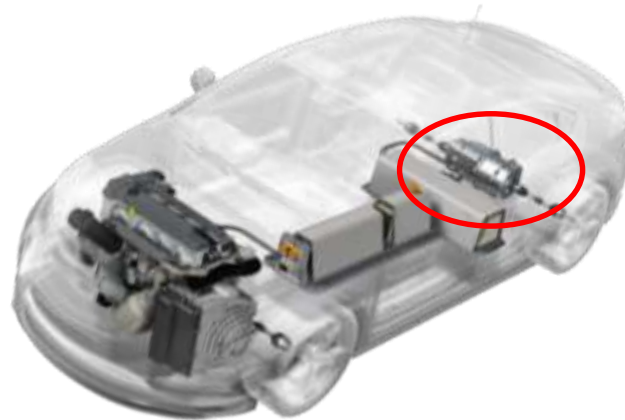
E-Axles – Light Vehicles

Spicer® Helios™ Electric Vehicle Drive

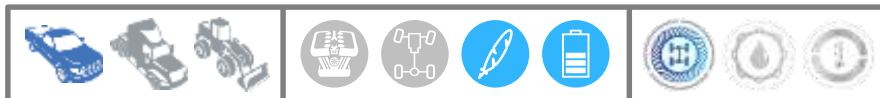


- » Spicer EV Drive in production for a battery electric van
 - Manages speed and torque from e-motor to the wheels
 - Specifically designed to accommodate customer's packaging requirements

Spicer® Helios™ Integrated Rear E-Axle



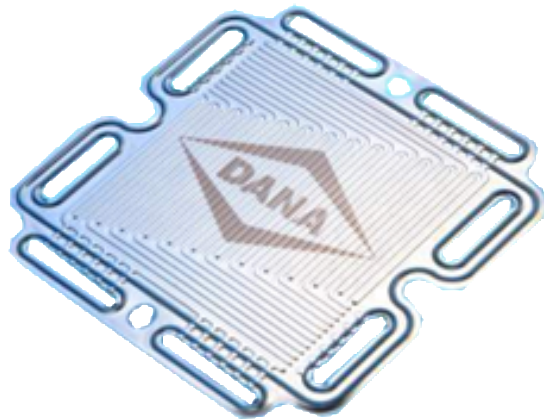
- » Partnering with global OEMs to develop hybrid AWD E-Axle
 - Increasing trend toward offering AWD functionality paired with “FWD Hybrids”
 - Integrating components to deliver superior performance, packaging, and reliability



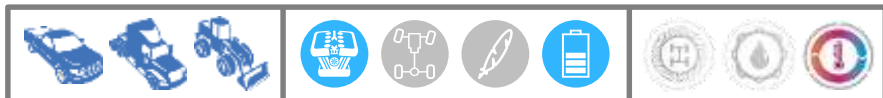
Fuel Cell Products



Victor Reinz® Hydroseal™



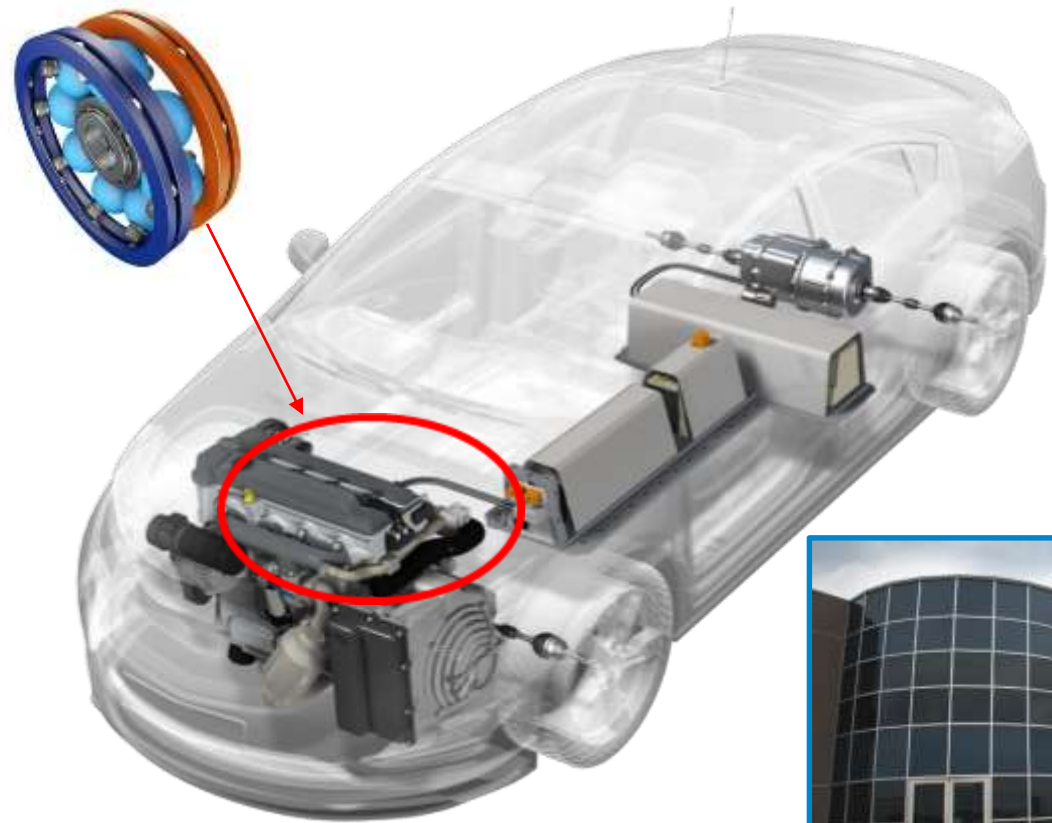
- » Fuel cells will become more relevant in automotive markets over next 15+ years as they overcome range challenges
- » Dana is currently a market leader in bi-polar plates and is partnering with key OEMs to further develop technology



Hybrid Transmission

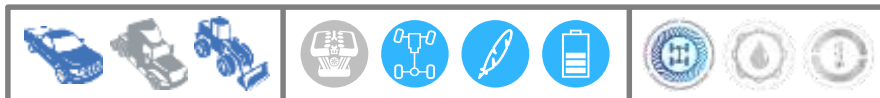


Spicer® VariGlide®



Austin, TX
VariGlide® Transmission

- » Newer hybrids incorporate sophisticated hybrid transmissions
- » Dana patented VariGlide® technology offers potential to improve hybrid transmission system performance
 - Rightsizing powertrain and power electronics
 - Maximize system efficiency
- » Opportunity to sell a complete transmission or VariGlide® as a sub-system



Hybrid Transmission Video



Leading Drivetrain Evolution



- » Core driveline technologies not affected by electrification in the next decade
- » Powertrain **electrification drives growth** in battery cooling technologies
- » Hybrid electric drivelines represent significant growth opportunity
- » Unique ability to leverage knowledge and investments **across multiple end markets**



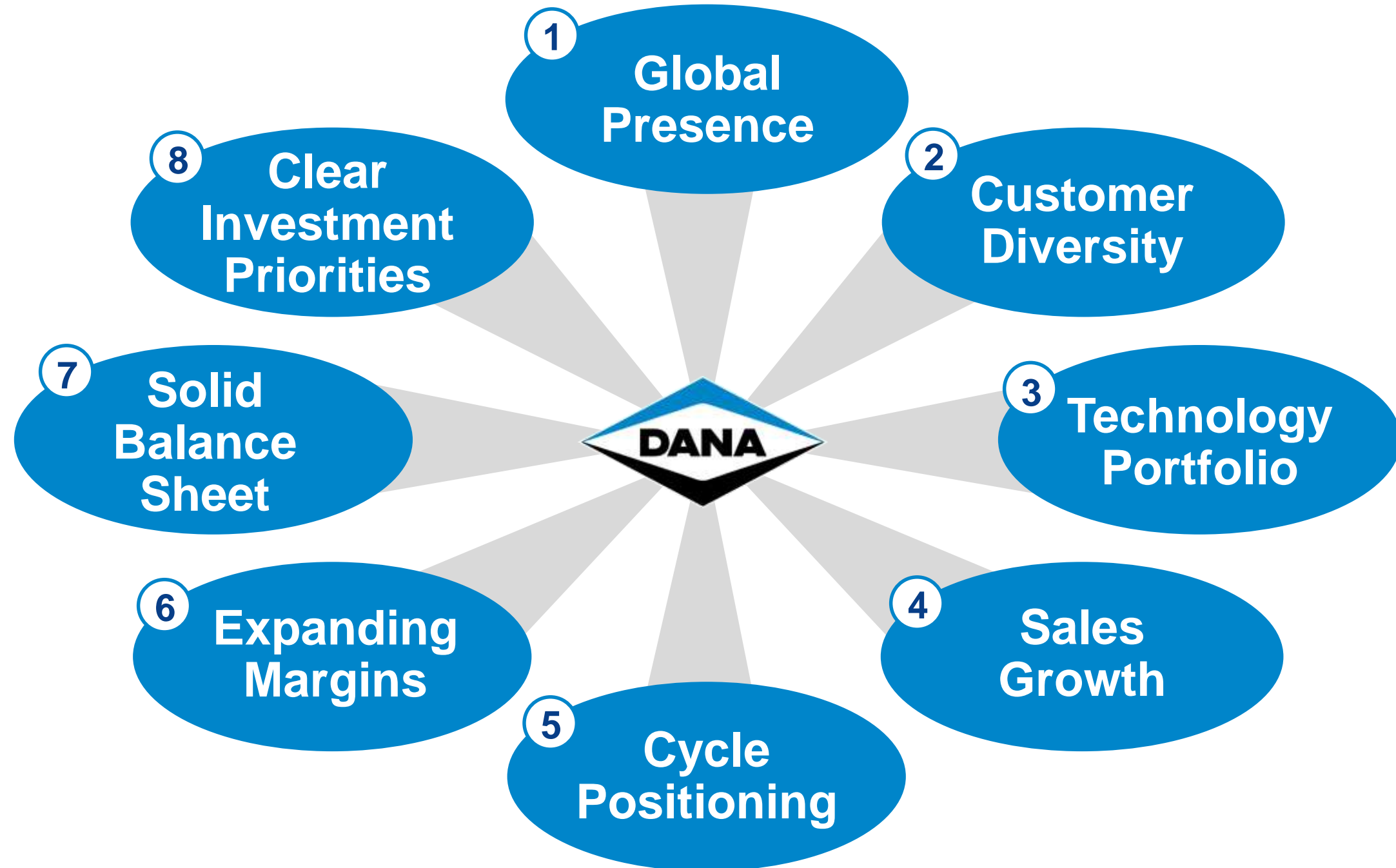
Financial Summary

Jonathan Collins
Chief Financial Officer





Investment Highlights



① Global Presence

Operating Footprint



- » Regional **demand** fluctuations **balanced** through capacity utilization
- » Existing **footprint leveraged** to capitalize on growth opportunities
- » **Technology utilized** across multiple end markets
- » Global **supply chain integrated** to drive lowest landed cost

Represents a competitive advantage in each end market served

② Customer Diversity

Select Customers

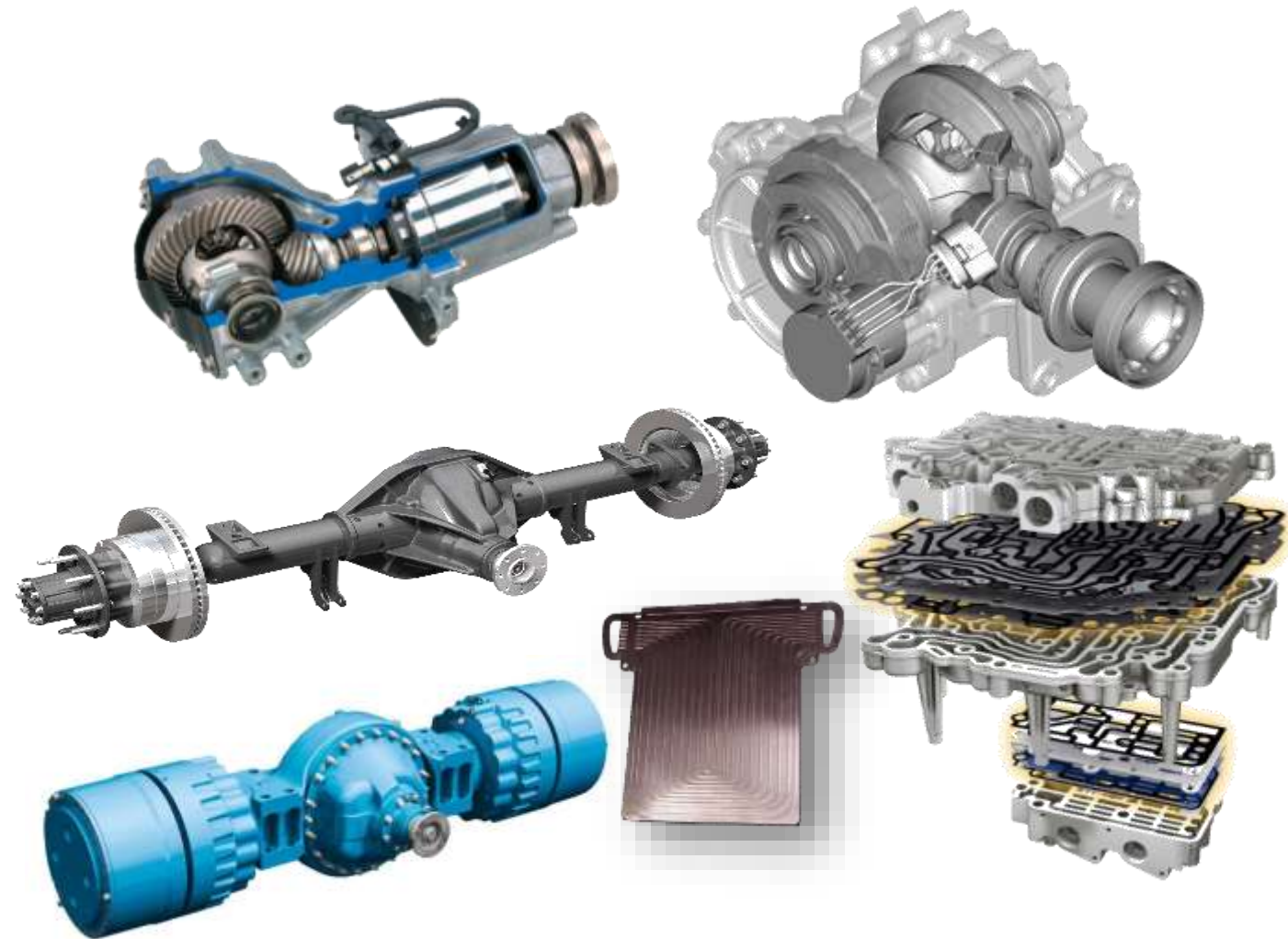


- » Group represents more than **50%** of our global sales
- » We supply each in **every region** of the world
- » Represents **all three** of our end markets
- » Served by **at least two** of our four business units

No customer is >20% of sales and cross-end-market commercial synergies exist

③ Technology Portfolio

Key Technologies



- » Consistent and efficient R&D spend of ~3% reflects **commitment to innovation**
- » Vast intellectual property assets with **1,335 active patents**
- » Investment is leveraged across three end markets

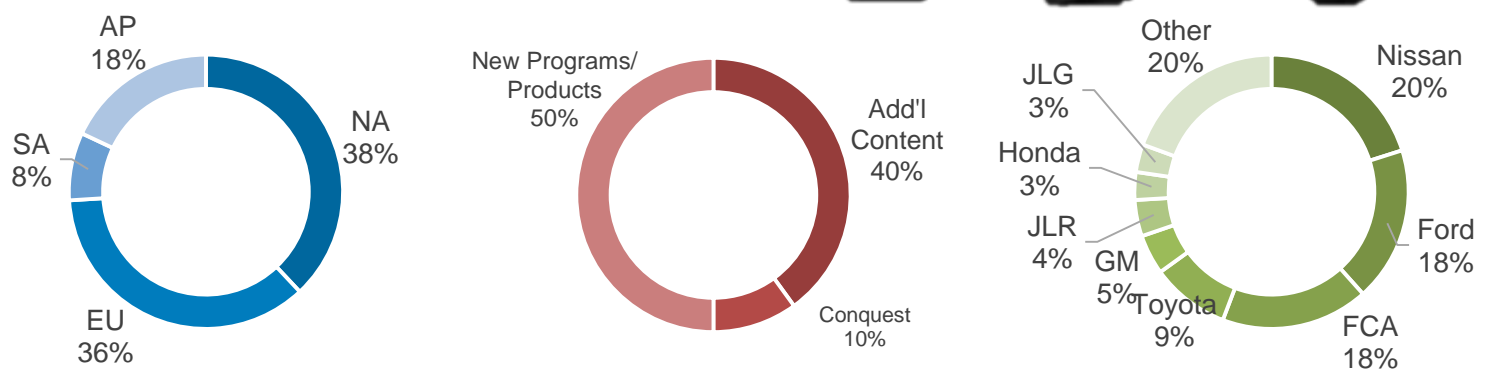
Products are differentiated through proprietary technology

④ Sales Growth

Backlog Compartment



- » Virtually all **existing programs secured** through the end of the decade
- » Large portion of backlog driven by **new programs and products** from new vehicles and technology
- » Backlog calculation is booked new business net of any losses of existing programs



Current sales backlog of \$750M is balanced commercially and regionally

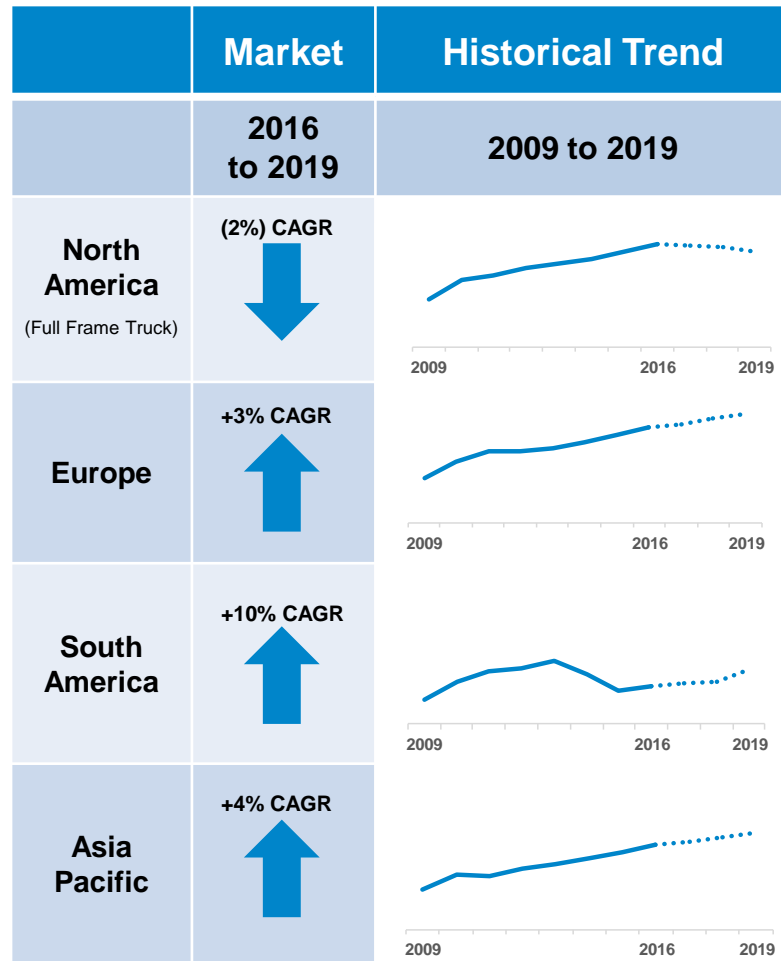




⑤ Cycle Positioning

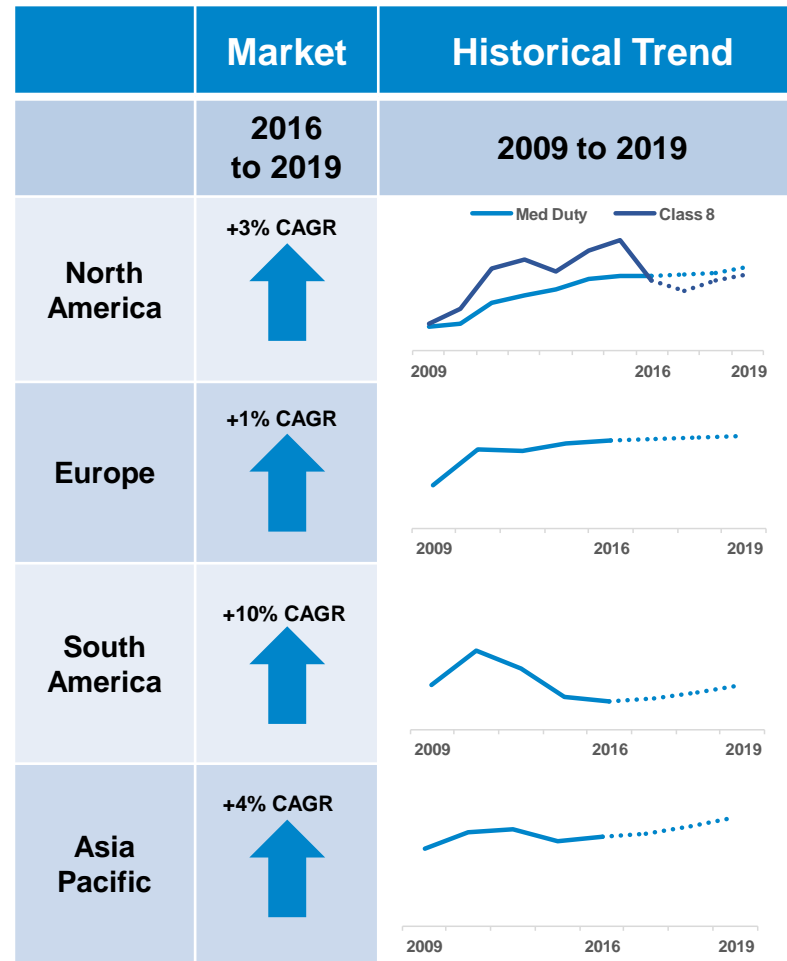
Light Vehicle

Light Truck Market

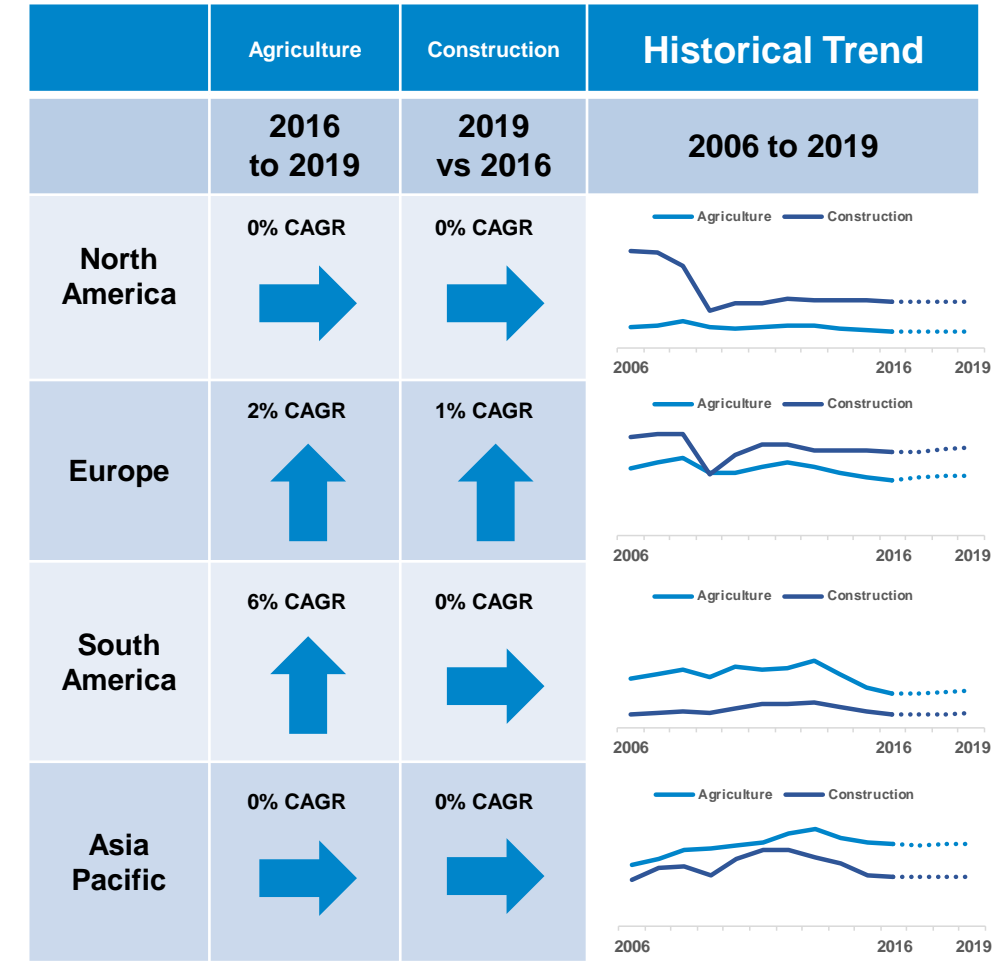


Commercial Vehicle

Medium / Heavy Truck Market



Off-Highway

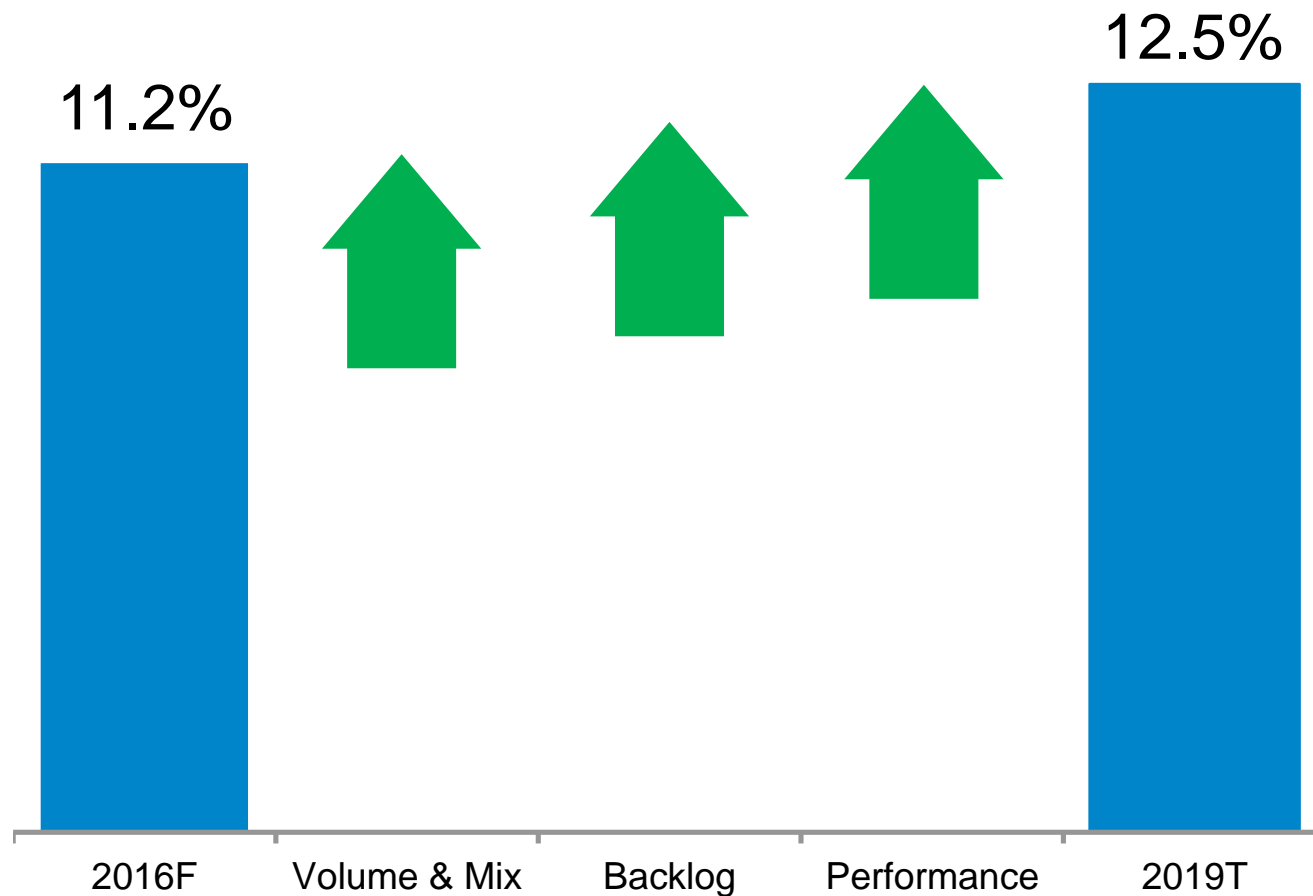


Positioned to benefit from recovery in commercial and off-highway end markets



⑥ Expanding Margins

Adj. EBITDA Margin Progression



- » End-market demand changes expected to have a **modest impact** to top line and margins
- » Backlog to convert at **accretive margins** due to fixed cost leverage
- » **Leveraging core** capabilities in design, manufacturing, engineering, purchasing, and distribution will incrementally improve margins

130 bps margin increment driven by sales conversion and leveraging the core

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

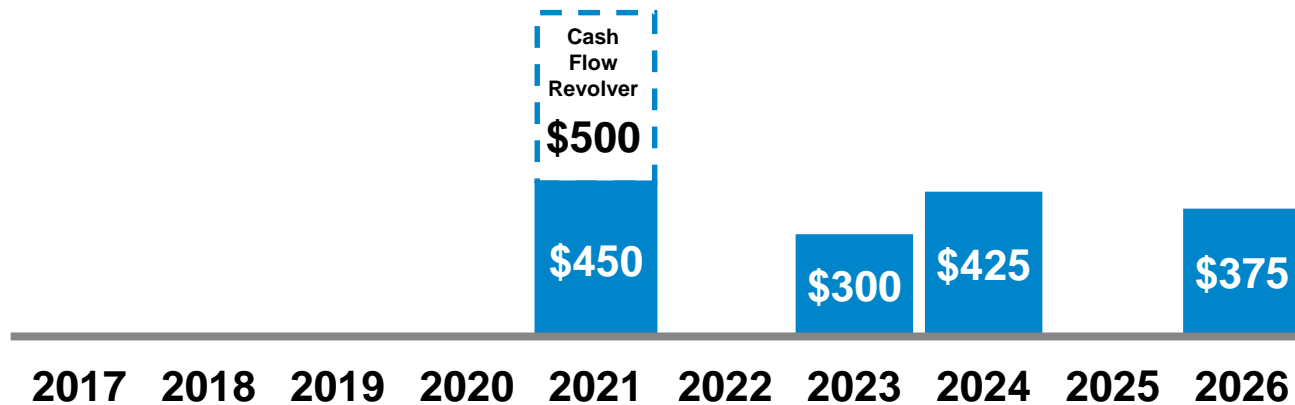


⑦ Strong Balance Sheet

Credit Metrics and Debt Maturity

\$ in Millions	9/30/2016
Total Debt	\$1,688
Cash	845
Net Debt	\$843
LTM EBITDA	\$623
Net Leverage	1.4x
Revolver Capacity	\$478
Total Liquidity	\$1,323

- » Prudent balance sheet management resulting in very **strong credit metrics** provides **flexibility** to invest to deliver profitable growth
- » No significant debt maturities in the **next four years**
- » Acquisitions to be funded primarily with cash on hand



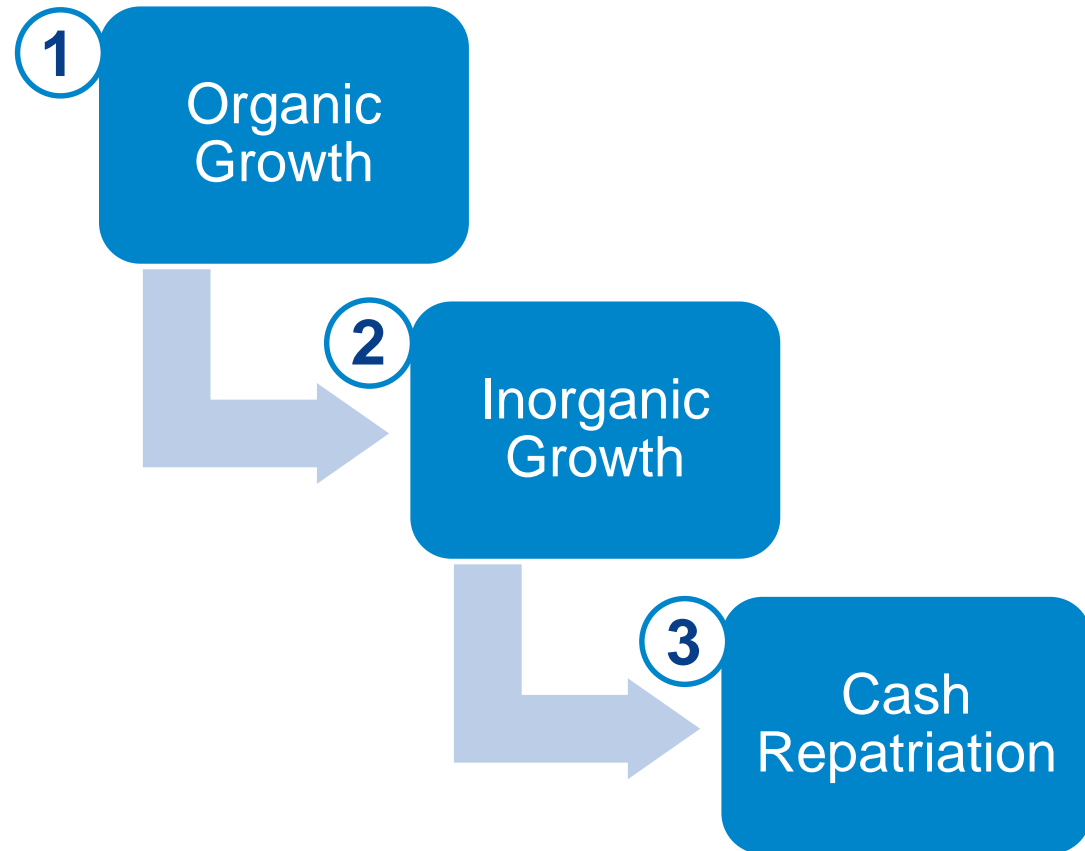
Committed to preserving a strong balance sheet

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



⑧ Clear Investment Priorities

Capital Allocation Plan

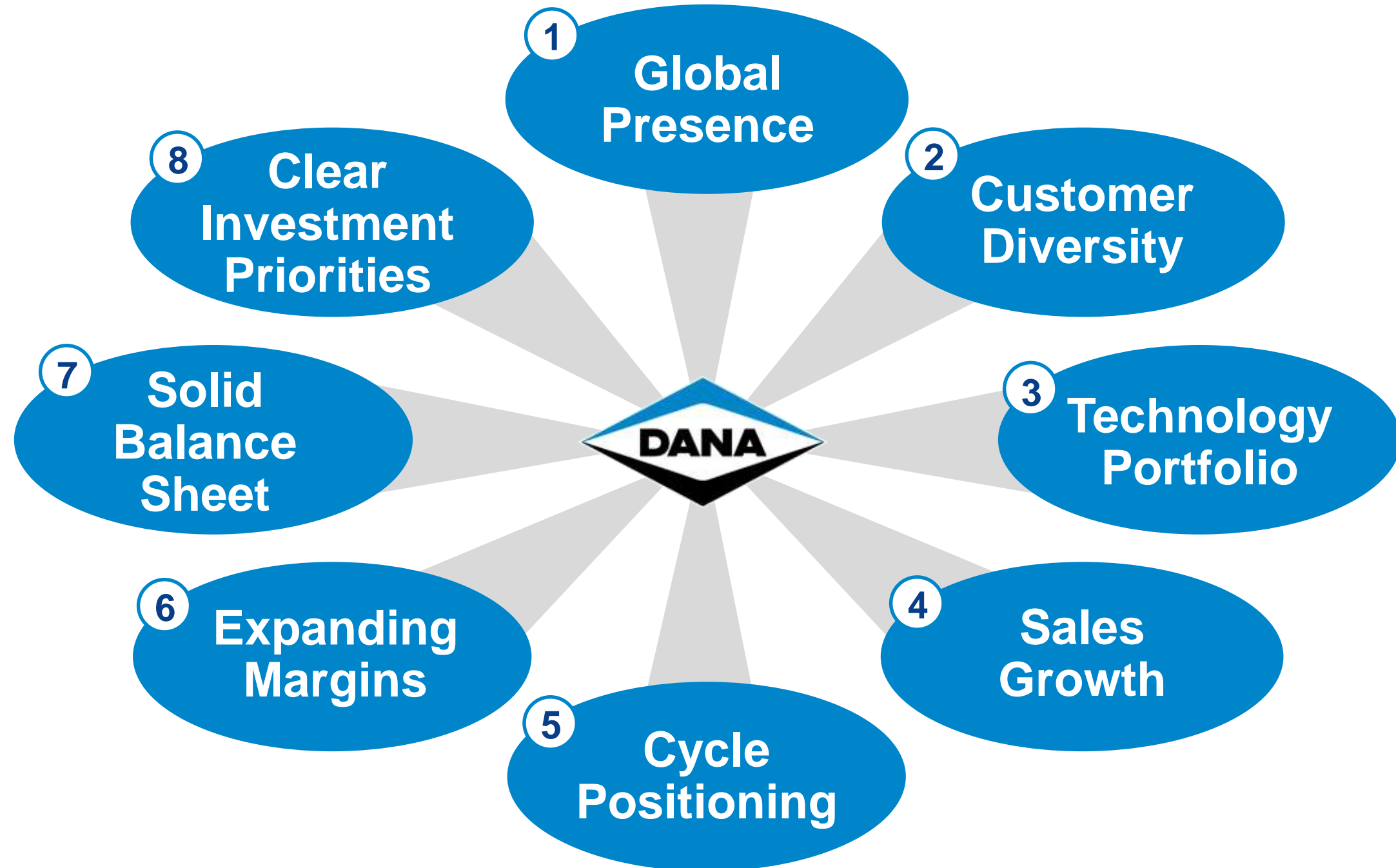


- » Invest in current business through **capital spending** to deliver backlog and grow profitably
- » Pursue new business **acquisitions** that are accretive and enhance competitive position
- » Continue **dividend; repurchase shares** in the absence of more attractive investment alternatives

Maximize shareholder value through profitable organic and inorganic growth



Investment Highlights



2019 Financial Projections



Key Production Assumptions

Units in Thousands

Market Production	North America		Europe		South America		Asia Pacific	
	2016	2019	2016	2019	2016	2019	2016	2019
Light Truck ⁽¹⁾	~4,400	~4,200	~9,200	~10,000	~900	~1,200	~26,500	~29,500
Light Vehicle Engines	~16,000	~17,000	~23,000	~24,500	~2,100	~2,400	~49,000	~54,000
Medium/Heavy Truck ⁽²⁾	~450	~490	~440	~450	~75	~100	~1,500	~1,700
Agricultural	~50	~50	~190	~200	~25	~30	~650	~650
Construction & Mining	~150	~150	~290	~300	~10	~10	~400	~400

(1) NA reflects LV Full Frame Truck
 (2) NA Class 8 ~220 in 2016 and ~240 in 2019

- » Business is presented on an **organic basis** and excludes the impact of the SIFCO acquisition that has yet to close
- » Volume projections are generally in line with 3rd party sources
- » Projecting primarily **stable markets** with exception of a more modest improvement in demand in Brazil
- » Commodity prices and foreign currency exchange rates constant

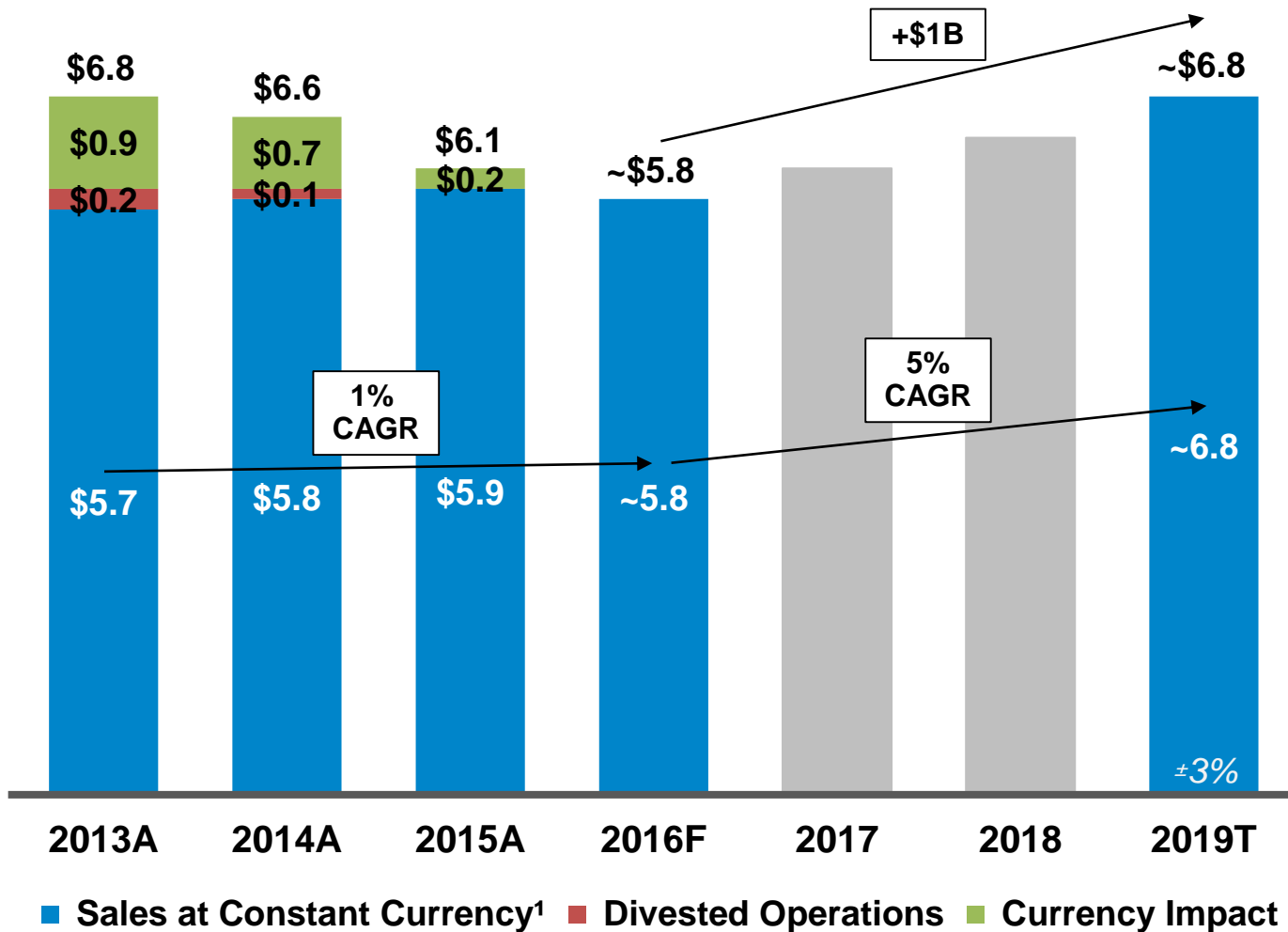




2019 Financial Projections

Sales

\$ in Billions



- » End market diversification has resulted in **historical 3-year organic CAGR of 1%** on a constant currency basis
- » **+\$1B of sales** driving 3-year projected **CAGR of 5%**, attributable primarily to **sales backlog** conversion
- » **Demand** is expected to **increase modestly** in commercial vehicle and off-highway end markets

¹ Based on projected 2017 Fx rates; excludes divested operations

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

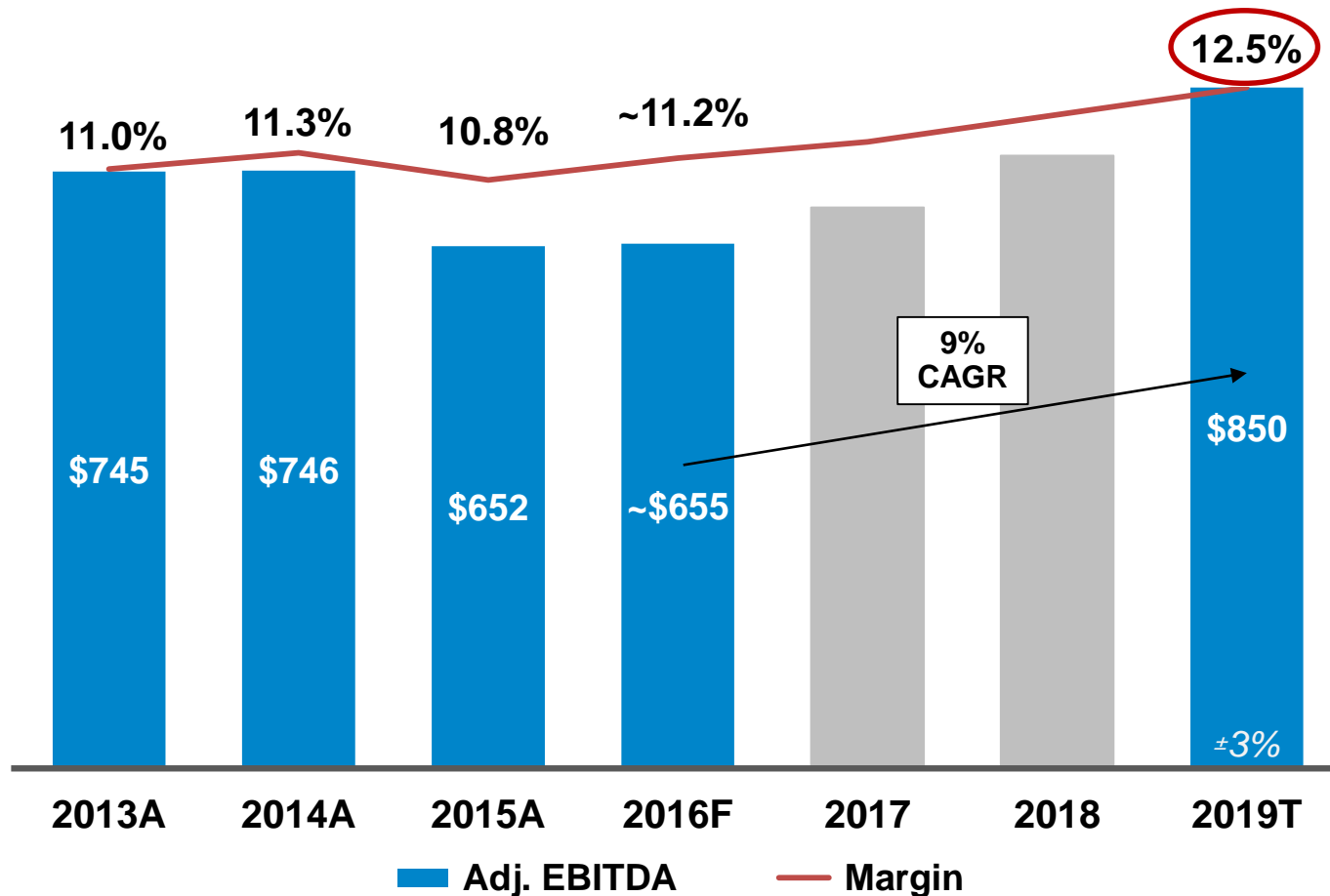




2019 Financial Projections

Adjusted EBITDA

\$ in Millions



- » Historical **margins stable** in spite of sales headwinds due to currency
- » **3-year projected CAGR of 9%**, attributable primarily to **~20% conversion** on ~\$1B of incremental sales as fixed cost base, is leveraged to deliver new business

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

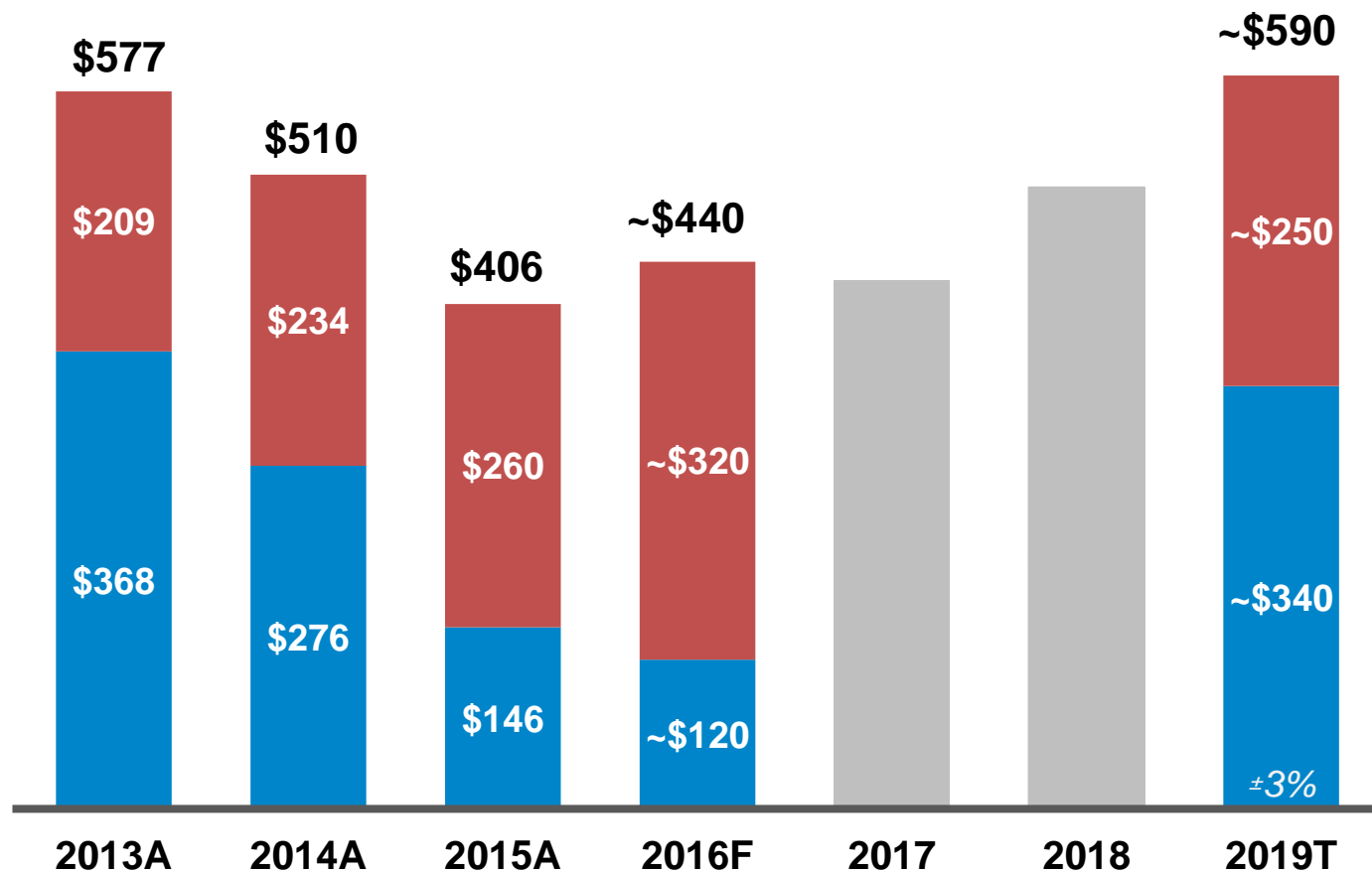




2019 Financial Projections

Operating Cash Flow

\$ in Millions



■ Free Cash Flow ■ Capital Expenditures

FCF
% of
Sales

5%

4%

2%

2%

5%

- » **Robust operating cash flows** have been invested in capital expenditures to deliver sales backlog
- » **Free cash flow** expected to return to **5% of sales** as capital spending returns to ambient level post major program launches

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

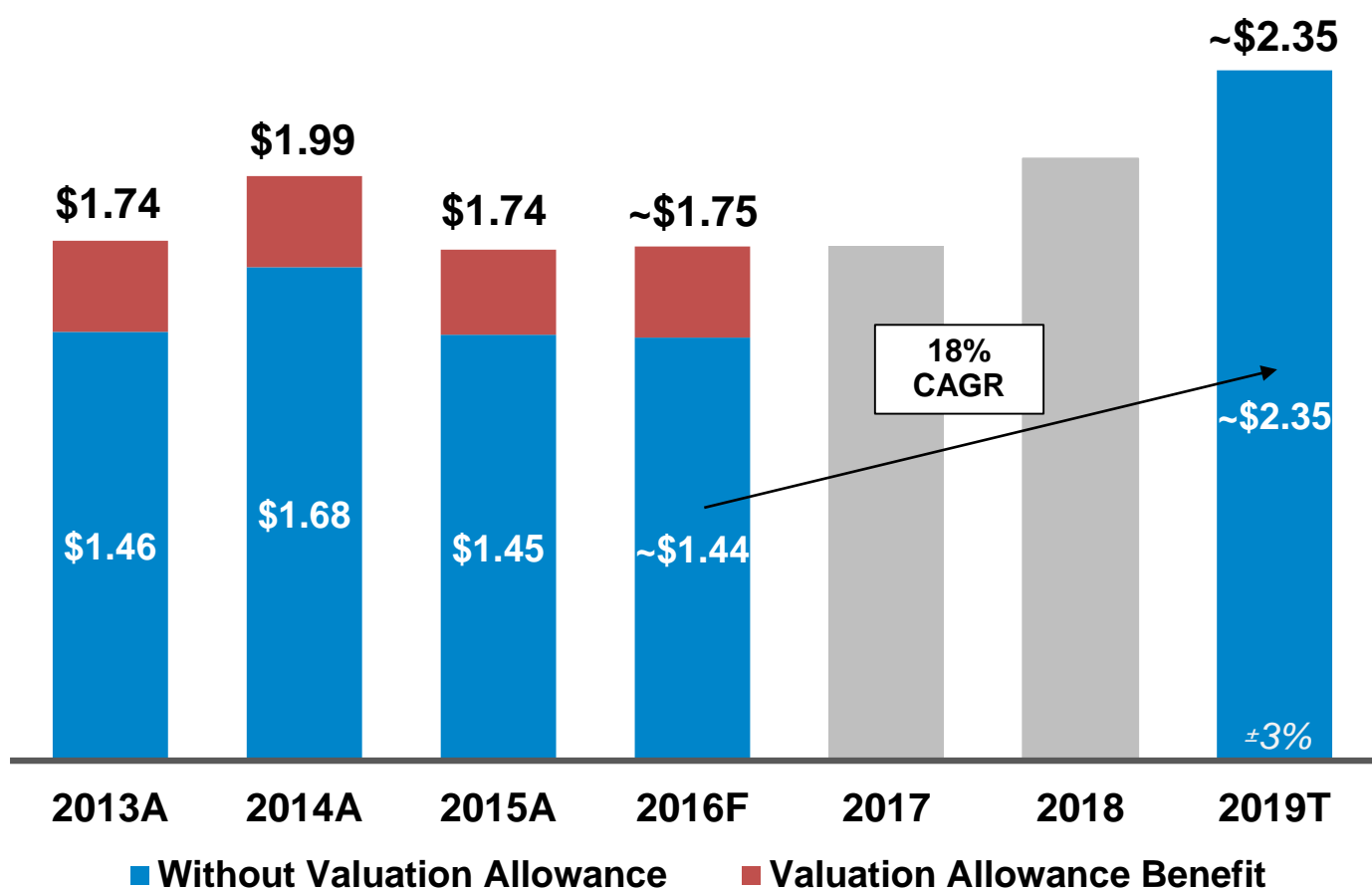




2019 Financial Projections

Diluted Adj. Earnings Per Share¹

\$ in Millions



- » Diluted adjusted EPS **steadily improves** based on earnings growth
- » Share count is held constant, although share repurchases are likely toward end of plan period
- » Reasonable possibility that U.S. valuation allowance will be released, resulting in increased tax expense (non-cash due to NOL utilization)
- » **18% CAGR** in diluted adjusted EPS on a like-for-like U.S. tax basis

¹ Assumes release of US tax valuation allowance and no future share repurchase

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





2019 Financial Projections

Sales Growth

+\$1B

Adjusted EBITDA Margin

12.5%

~20% Conversion

Free Cash Flow % of Sales

5%

Diluted Adj. Earnings Per Share¹

\$2.35

Deliver progressively improved financial returns over the next 3 years

¹ Assumes release of US tax valuation allowance and no future share repurchase

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





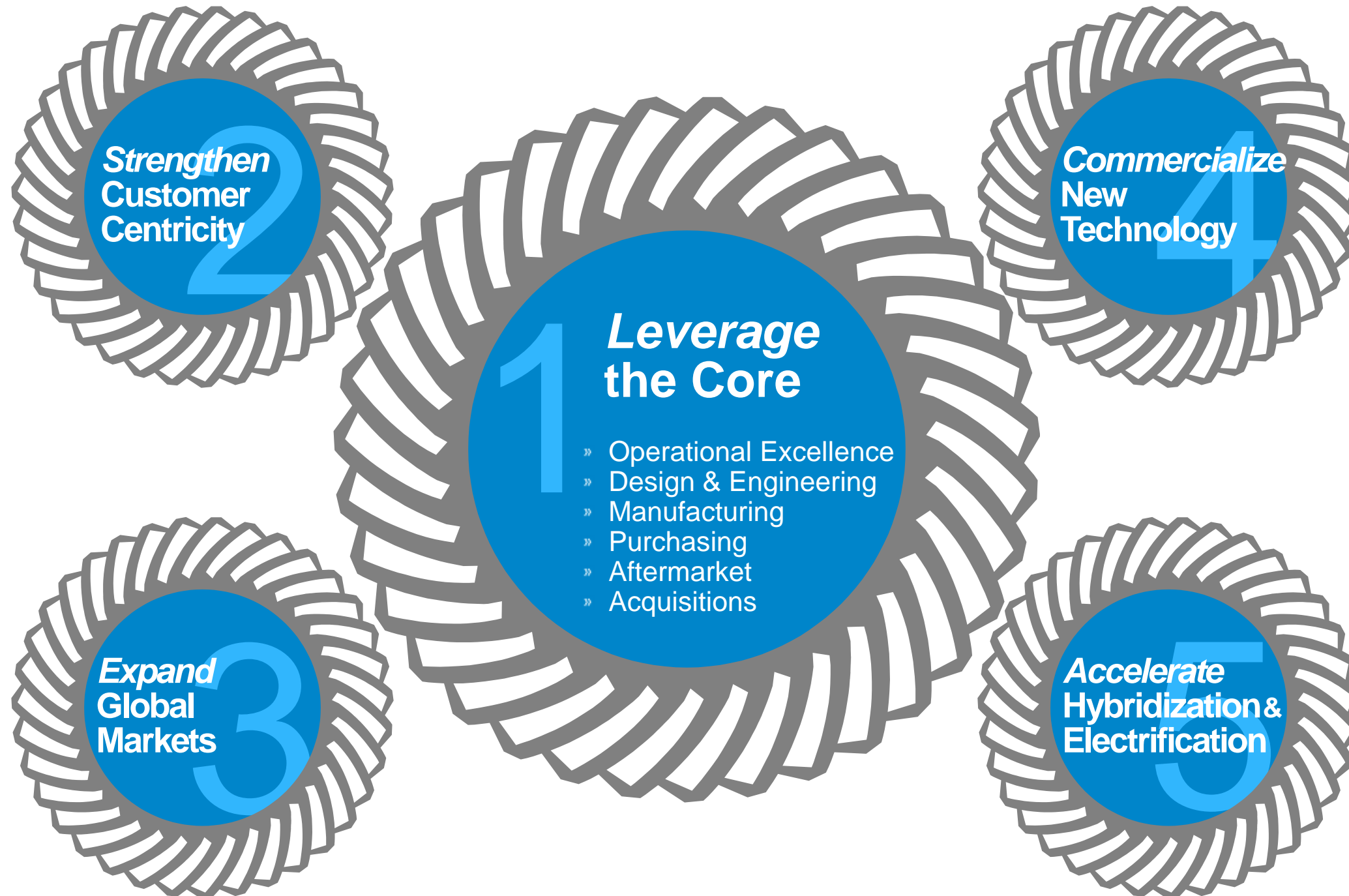
Closing Remarks

James Kamsickas

President and Chief Executive Officer



Enterprise Strategy: “Shifting Into Overdrive”



Outlook



2013 – 2016

- » Currency headwinds cause sales decline
- » Margin stability

2016 – 2019

- » Backlog conversion drives sales growth
- » Margins expand
- » Cash flow improves

2019+

- » Favorable secular trends accelerate growth
 - Increase in AWD platforms
 - Powertrain electrification
 - Thermal management





2016 Investor Day

SHIFTING INTO
VERDRIVE 





Non-GAAP Financial Information

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

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

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

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

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

