

**Dana Incorporated**  
**Consolidated Statement of Operations**  
(In millions, except per share amounts)

	2018	2017	2016
<b>Net sales</b>	\$ 8,143	\$ 7,209	\$ 5,826
Costs and expenses			
Cost of sales	6,986	6,143	4,991
Selling, general and administrative expenses	499	508	401
Amortization of intangibles	8	11	8
Restructuring charges, net	25	14	36
Impairment of indefinite-lived intangible asset	(20)		
Gain (loss) on disposal group held for sale	3	(27)	
Loss on sale of subsidiaries			(80)
Other income (expense), net	(29)	(16)	22
Earnings before interest and income taxes	579	490	332
Loss on extinguishment of debt		(19)	(17)
Interest income	11	11	13
Interest expense	96	102	113
Earnings before income taxes	494	380	215
Income tax expense (benefit)	78	283	(424)
Equity in earnings of affiliates	24	19	14
<b>Net income</b>	440	116	653
Less: Noncontrolling interests net income	13	10	13
Less: Redeemable noncontrolling interests net loss		(5)	
<b>Net income attributable to the parent company</b>	<u>\$ 427</u>	<u>\$ 111</u>	<u>\$ 640</u>
<b>Net income per share available to common stockholders</b>			
Basic	\$ 2.94	\$ 0.72	\$ 4.38
Diluted	\$ 2.91	\$ 0.71	\$ 4.36
<b>Weighted-average common shares outstanding</b>			
Basic	145.0	145.1	146.0
Diluted	146.5	146.9	146.8

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

**Dana Incorporated**  
**Consolidated Balance Sheet**  
(In millions, except share and per share amounts)

	2018	2017
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 510	\$ 603
Marketable securities	21	40
Accounts receivable		
Trade, less allowance for doubtful accounts of \$9 in 2018 and \$8 in 2017	1,065	994
Other	178	172
Inventories	1,031	969
Other current assets	102	97
Current assets of disposal group held for sale		7
<b>Total current assets</b>	<b>2,907</b>	<b>2,882</b>
Goodwill	264	127
Intangibles	164	174
Deferred tax assets	445	420
Other noncurrent assets	80	71
Investments in affiliates	208	163
Property, plant and equipment, net	1,850	1,807
<b>Total assets</b>	<b>\$ 5,918</b>	<b>\$ 5,644</b>
<b>Liabilities and equity</b>		
Current liabilities		
Short-term debt	\$ 8	\$ 17
Current portion of long-term debt	20	23
Accounts payable	1,217	1,165
Accrued payroll and employee benefits	186	219
Taxes on income	47	53
Other accrued liabilities	269	220
Current liabilities of disposal group held for sale		5
<b>Total current liabilities</b>	<b>1,747</b>	<b>1,702</b>
Long-term debt, less debt issuance costs of \$18 in 2018 and \$22 in 2017	1,755	1,759
Pension and postretirement obligations	561	607
Other noncurrent liabilities	313	413
Noncurrent liabilities of disposal group held for sale		2
<b>Total liabilities</b>	<b>4,376</b>	<b>4,483</b>
Commitments and contingencies (Note 16)		
Redeemable noncontrolling interests	100	47
Parent company stockholders' equity		
Preferred stock, 50,000,000 shares authorized, \$0.01 par value, no shares outstanding	—	—
Common stock, 450,000,000 shares authorized, \$0.01 par value, 144,663,403 and 144,984,050 shares outstanding	2	2
Additional paid-in capital	2,368	2,354
Retained earnings	456	86
Treasury stock, at cost (8,342,185 and 7,001,017 shares)	(119)	(87)
Accumulated other comprehensive loss	(1,362)	(1,342)
Total parent company stockholders' equity	1,345	1,013
Noncontrolling interests	97	101
<b>Total equity</b>	<b>1,442</b>	<b>1,114</b>
<b>Total liabilities and equity</b>	<b>\$ 5,918</b>	<b>\$ 5,644</b>

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**Dana Incorporated**  
**Consolidated Statement of Cash Flows**  
(In millions)

	2018	2017	2016
<b>Operating activities</b>			
Net income	\$ 440	\$ 116	\$ 653
Depreciation	260	220	173
Amortization of intangibles	10	13	9
Amortization of deferred financing charges	4	5	5
Call premium on debt		15	12
Write-off of deferred financing costs		4	5
Earnings of affiliates, net of dividends received	(4)	(3)	(3)
Stock compensation expense	16	23	17
Deferred income taxes	(64)	179	(480)
Pension contributions, net	3	(6)	(16)
Impairment of indefinite-lived intangible asset	20		
(Gain) loss on sale of subsidiaries		(3)	80
(Gain) loss on disposal group held for sale	(2)	27	
Change in working capital	(113)	(8)	(51)
Change in other noncurrent assets and liabilities	(12)	(9)	(1)
Other, net	10	(19)	(19)
<b>Net cash provided by operating activities</b>	<b>568</b>	<b>554</b>	<b>384</b>
<b>Investing activities</b>			
Purchases of property, plant and equipment	(325)	(393)	(322)
Acquisition of businesses, net of cash acquired	(153)	(185)	(78)
Proceeds from previous acquisition	9		
Purchases of marketable securities	(37)	(35)	(93)
Proceeds from sales of marketable securities	15	1	47
Proceeds from maturities of marketable securities	37	27	47
Proceeds from sale of subsidiaries, net of cash disposed	(6)	3	34
Other, net	(2)	(1)	
<b>Net cash used in investing activities</b>	<b>(462)</b>	<b>(583)</b>	<b>(365)</b>
<b>Financing activities</b>			
Net change in short-term debt	(21)	(90)	9
Proceeds from long-term debt		676	441
Repayment of long-term debt	(13)	(640)	(382)
Call premium on debt		(15)	(12)
Deferred financing payments	(1)	(9)	(11)
Dividends paid to common stockholders	(58)	(35)	(35)
Distributions to noncontrolling interests	(42)	(12)	(17)
Contributions from noncontrolling interests	25		
Payments to acquire redeemable noncontrolling interests	(43)		
Repurchases of common stock	(25)		(81)
Other, net	(2)	5	
<b>Net cash used in financing activities</b>	<b>(180)</b>	<b>(120)</b>	<b>(88)</b>
<b>Net decrease in cash, cash equivalents and restricted cash</b>	<b>(74)</b>	<b>(149)</b>	<b>(69)</b>
Cash, cash equivalents and restricted cash - beginning of period	610	716	800
Effect of exchange rate changes on cash balances	(16)	43	(15)
<b>Cash, cash equivalents and restricted cash - end of period</b>	<b>\$ 520</b>	<b>\$ 610</b>	<b>\$ 716</b>

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