EBIX INC
Form SC 13G/A
February 18, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13G

(RULE 13d - 102)

Information to be included in statements filed pursuant

to Rules 13d-1(b), (c) and (d) and amendments thereto filed

pursuant to 13d-2(b)

(AMENDMENT NO.2)*

Ebix, Inc.

(Name of Issuer)

Common Stock, $0.10 par value

(Title of Class of Securities)

88830M102

(CUSIP Number)

December 31, 2008

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule

pursuant to which this Schedule is filed:

o Rule 13d-1(b)

x Rule 13d-1(c)

o Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information

which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on the Following Pages)

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Luxor Capital Partners, LP

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
342,239

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
342,239

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
342,239

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.4%

12. TYPE OF REPORTING PERSON*
PN

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

LCG Select, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
42,180

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
42,180

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
42,180

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.4%

12. TYPE OF REPORTING PERSON*
OO

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Luxor Capital Partners Offshore, Ltd.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
605,920

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
605,920

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
605,920

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
6.1%

12. TYPE OF REPORTING PERSON*
CO

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

LCG Select Offshore, Ltd.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
204,615

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
204,615

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
204,615

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.1%

12. TYPE OF REPORTING PERSON*
CO

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Luxor Capital Group, LP

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
1,248,159

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
1,248,159

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,248,159

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
12.5%

12. TYPE OF REPORTING PERSON*
PN

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Luxor Management, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
1,248,159

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
1,248,159

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,248,159

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
12.5%

12. TYPE OF REPORTING PERSON*
OO

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

LCG Holdings, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
384,419

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
384,419

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
384,419

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.9%

12. TYPE OF REPORTING PERSON*
OO

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

CUSIP No. 88830M102

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Christian Leone

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) x
(b) o
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER
0

6. SHARED VOTING POWER
1,248,159

7. SOLE DISPOSITIVE POWER
0

8. SHARED DISPOSITIVE POWER
1,248,159

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,248,159

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES* o
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
12.5%

12. TYPE OF REPORTING PERSON*
IN, HC

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

This statement is filed pursuant to Rule 13d-2(b) promulgated under the Securities Exchange Act of 1934, as amended, with respect to the shares of Common Stock (as defined below) of Ebix, Inc. (the "Issuer") beneficially owned by the Reporting Persons identified below as of December 31, 2008, and amends and supplements the Schedule 13G filed on June 13, 2007, as previously amended (collectively, the "Schedule 13G"). Except as set forth herein, the Schedule 13G is unmodified.

ITEM 2(a). NAME OF PERSON FILING:

The names of the persons filing this statement on Schedule 13G are:

- Luxor Capital Partners, LP, a Delaware limited partnership (the "Onshore Fund").
- LCG Select, LLC, a Delaware limited liability company (the "Select Onshore Fund").
- Luxor Capital Partners Offshore, Ltd., a Cayman Islands exempted company (the "Offshore Fund").
- LCG Select Offshore, Ltd., a Cayman Islands exempted company (the "Select Offshore Fund").
- Luxor Capital Group, LP, a Delaware limited partnership ("Luxor Capital Group").
- Luxor Management, LLC, a Delaware limited liability company ("Luxor Management").
- LCG Holdings, LLC, a Delaware limited liability company ("LCG Holdings").
- Christian Leone, a United States Citizen ("Mr. Leone").

ITEM 4. OWNERSHIP.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

(i) The Onshore Fund owns 342,239 shares of Common Stock.

(ii) The Select Onshore Fund owns 42,180 shares of Common Stock.

(iii) The Offshore Fund owns 605,920 shares of Common Stock.

(iv) The Select Offshore Fund owns 204,615 shares of Common Stock.

(v) Luxor Capital Group, as the investment manager of the Onshore Fund, the Select Onshore Fund, the Offshore Fund and the Select Offshore Fund, may be deemed to beneficially own the 1,194,954 shares of Common Stock held by them, and an additional 53,205 shares of Common Stock held in accounts that it separately manages.

(vi) Luxor Management and Mr. Leone may each be deemed to be the beneficial owners of the shares of Common Stock beneficially owned by Luxor Capital Group.

(vii) LCG Holdings may be deemed to be the beneficial owner of the shares of Common Stock held by the Onshore Fund and the Select Onshore Fund.

(viii) Mr. Leone may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned by LCG Holdings.

(ix) Collectively, the Reporting Persons beneficially own 1,248,159 shares of Common Stock.

(b) Percent of Class:

(i) The Onshore Fund's ownership of 342,239 shares of Common Stock represents 3.4% of all of the outstanding shares of Common Stock based on the 9,981,005 shares of Common Stock outstanding as of November 10, 2008 as described in the Issuer's Form 10-Q for the period ended September 30, 2008 filed on November 10, 2008.

(ii) The Select Onshore Fund's ownership of 42,180 shares of Common Stock represents 0.4% of all of the outstanding shares of Common Stock.

(iii) The Offshore Fund's ownership of 605,920 shares of Common Stock represents 6.1% of all of the outstanding shares of Common Stock.

(iv) The Select Offshore Fund's ownership of 204,615 shares of Common Stock represents 2.1% of all of the outstanding shares of Common Stock.

(v) LCG Holdings' beneficial ownership of the 384,419 shares of Common Stock represents 3.9% of all of the outstanding shares of Common Stock.

(vi) Luxor Capital Group's, Luxor Management's and Mr. Leone's beneficial ownership of 1,248,159 shares of Common Stock represents 12.5% of all of the outstanding shares of Common Stock.

(vii) Collectively, the Reporting Persons' beneficial ownership of 1,248,159 shares of Common Stock represents 12.5% of all of the outstanding shares of Common Stock.

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote

Not applicable.

(ii) Shared power to vote or to direct the vote of shares of Common Stock:

The Onshore Fund, Luxor Capital Group, LCG Holdings, Luxor Management and Mr. Leone have shared power to vote or direct the vote of the 342,239 shares of Common Stock held by the Onshore Fund.

The Select Onshore Fund, Luxor Capital Group, LCG Holdings, Luxor Management and Mr. Leone have shared power to vote or direct the vote of the 42,180 shares of Common Stock held by the Select Onshore Fund.

The Offshore Fund, Luxor Capital Group, Luxor Management and Mr. Leone have shared power to vote or direct the vote of the 605,920 shares of Common Stock held by the Offshore Fund.

The Select Offshore Fund, Luxor Capital Group, Luxor Management and Mr. Leone have shared power to vote or direct the vote of the 204,615 shares of Common Stock held by the Select Offshore Fund.

Luxor Capital Group, Luxor Management and Mr. Leone have shared power to vote or direct the vote of the 53,205 shares of Common Stock beneficially owned by Luxor Capital Group through the separate accounts it manages.

(iii) Sole power to dispose or to direct the disposition of shares of Common Stock:

Not applicable.

(iv) Shared power to dispose or to direct the disposition of shares of Common Stock:

The Onshore Fund, Luxor Capital Group, LCG Holdings, Luxor Management and Mr. Leone have shared power to dispose or direct the disposition of the 342,239 shares of Common Stock held by the Onshore Fund.

The Select Onshore Fund, Luxor Capital Group, LCG Holdings, Luxor Management and Mr. Leone have shared power to dispose or direct the disposition of the 42,180 shares of Common Stock held by the Select Onshore Fund.

The Offshore Fund, Luxor Capital Group, Luxor Management and Mr. Leone have shared power to dispose or direct the disposition of the 605,920 shares of Common Stock held by the Offshore Fund.

The Select Offshore Fund, Luxor Capital Group, Luxor Management and Mr. Leone have shared power to dispose or direct the disposition of the 204,615 shares of Common Stock held by the Select Offshore Fund.

Luxor Capital Group, Luxor Management and Mr. Leone have shared power to dispose or direct the disposition of the 53,205 shares of Common Stock beneficially owned by Luxor Capital Group through the separate accounts it manages.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY.

Due to corporate reorganizations effective as of January 2, 2009, the Select Onshore Fund became a subsidiary of the Onshore Fund, and the Select Offshore Fund became a subsidiary of the Offshore Fund.

ITEM 10. CERTIFICATION.

By signing below the undersigned certifies that, to the best of its or his knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete, and correct.

Dated: February 17, 2009

LUXOR CAPITAL PARTNERS, LP
By: LCG Holdings, LLC, as General Partner

By: /s/ Norris Nissim
Norris Nissim,

General Counsel

LUXOR SELECT, LLC
By: LCG Holdings, LLC, as General Partner

By: /s/ Norris Nissim
Norris Nissim,

General Counsel

LUXOR CAPITAL PARTNERS OFFSHORE, LTD.
By: Luxor Capital Group, LP, as investment manager

By: /s/ Norris Nissim
Norris Nissim,

General Counsel

LUXOR SELECT OFFSHORE, LTD.
By: Luxor Capital Group, LP, as investment manager

By: /s/ Norris Nissim
Norris Nissim,

General Counsel

LUXOR CAPITAL GROUP, LP.
By: Luxor Management, LLC, as General Partner

By: /s/ Norris Nissim
Norris Nissim,

General Counsel

LCG HOLDINGS, LLC

By: /s/ Norris Nissim
Norris Nissim,

General Counsel

LUXOR MANAGEMENT, LLC

By: /s/ Norris Nissim
Norris Nissim,

General Counsel

/s/ Elena Cimador
Elena Cimador, as Attorney-in-Fact

for Christian Leone

EXHIBIT C

POWER OF ATTORNEY

The undersigned hereby makes, constitutes and appoints each of Adam Miller and Elena Cimador as the undersigned's true and lawful authorized representative, attorney-in-fact and agent, each with the power individually to execute for and on behalf of the undersigned and to file with and deliver to the United States Securities and Exchange Commission and any other authority or party required or entitled to receive the same: (a) any Forms 3, 4 and 5, and any amendments thereto, in accordance with Section 16(a) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and the rules promulgated thereunder; and (b) any Schedule 13D or Schedule 13G, and any amendments thereto, on behalf of the undersigned in accordance with Section 13 of the 1934 Act and the rules promulgated thereunder.

The undersigned also hereby grants to each such attorney-in-fact the full power and authority to do and perform all and every act and thing whatsoever requisite, necessary and proper to be done in the exercise of any of the rights and powers herein granted, hereby ratifying and confirming all that such attorney-in-fact shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that each of the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, is not assuming any of the undersigned's responsibilities to comply with Section 16 or Section 13 or any other provision of the 1934 Act or the rules promulgated thereunder.

This Power of Attorney shall remain in full force and effect until earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of January 20, 2006.

/s/ Christian Leone

Christian Leone

ACKNOWLEDGEMENT IN NEW YORK STATE

STATE OF NEW YORK)
: ss.:

COUNTY OF NEW YORK)

On January 20, 2006, before me, the undersigned personally appeared, Christian Leone, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

/s/ Michael J. Sadler

Notary Public

[Notary Stamp and Seal]

fcc;padding-left:2px;padding-top:2px;padding-bottom:2px;padding-right:2px;">

$
615

$
425

Gross profit
$
21

$
21

$
72

$
53

Earnings before income taxes
$
5

$
5

$
15

$
8

Net income
$
3

$
2

$
11

$
4

Dana's equity in earnings of affiliate
$
1

$
—

$
4

$
—

Our equity in earnings of DDAC was reduced by $3 during the second quarter of 2017 due to charges associated with the anticipated transfer and conversion of certain assets to the local government.

31

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Dollars in millions)

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with the financial statements and accompanying notes in this report.

Forward-Looking Information

Statements in this report (or otherwise made by us or on our behalf) that are not entirely historical constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements can often be identified by words such as "anticipates," "expects," "believes," "intends," "plans," "predicts," "seeks," "estimates," "projects," "outlook," "may," "will," "should," "would," "could," "potential," "continue," "or expressions, variations or negatives of these words. These statements represent the present expectations of Dana Incorporated and its consolidated subsidiaries (Dana) based on our current information and assumptions. Forward-looking statements are inherently subject to risks and uncertainties. Our plans, actions and actual results could differ materially from our present expectations due to a number of factors, including those discussed below and elsewhere in this report and in our other filings with the Securities and Exchange Commission (SEC). All forward-looking statements speak only as of the date made and we undertake no obligation to publicly update or revise any forward-looking statement to reflect events or circumstances that may arise after the date of this report.

Management Overview

Dana is headquartered in Maumee, Ohio, and was incorporated in Delaware in 2007. We are a global provider of high-technology products to virtually every major vehicle and engine manufacturer in the world. We also serve the stationary industrial market. Our technologies include drive and motion products (axles, driveshafts, planetary hub drives, power-transmission products, tire-management products, and transmissions); sealing solutions (gaskets, seals, heat shields, and fuel-cell plates); thermal-management technologies (transmission and engine oil cooling, battery and electronics cooling, and exhaust-gas heat recovery); and fluid-power products (pumps, valves, motors, and controls). We serve our global light vehicle, medium/heavy vehicle and off-highway markets through four business units – Light Vehicle Driveline Technologies (Light Vehicle), Commercial Vehicle Driveline Technologies (Commercial Vehicle), Off-Highway Drive and Motion Technologies (Off-Highway) and Power Technologies, which is the center of excellence for sealing and thermal-management technologies that span all customers in our on-highway and off-highway markets. We have a diverse customer base and geographic footprint, which minimizes our exposure to individual market and segment declines. At September 30, 2017, we employed approximately 29,400 people, operated in 34 countries and had more than 100 major facilities housing manufacturing and distribution operations, technical and engineering centers and administrative offices.

External sales by operating segment for the periods ended September 30, 2017 and 2016 are as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2017		2016		2017		2016	
	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total
Light Vehicle	$805	44.0%	$631	45.6%	$2,369	44.1%	$1,913	43.7%
Commercial Vehicle	371	20.2%	294	21.2%	1,057	19.7%	976	22.3%
Off-Highway	384	21.0%	199	14.4%	1,107	20.6%	692	15.8%
Power Technologies	271	14.8%	260	18.8%	839	15.6%	798	18.2%
Total	$1,831		$1,384		$5,372		$4,379	

See Note 18 to our consolidated financial statements in Item 1 of Part I for further financial information about our operating segments.

Our internet address is www.dana.com. The inclusion of our website address in this report is an inactive textual reference only and is not intended to include or incorporate by reference the information on our website into this report.

Operational and Strategic Initiatives

In 2016 we outlined our current enterprise strategy which leverages our strong technology foundation and our commitment to continuous improvement. Our strategy places increased focus leveraging resources across the organization, satisfying customer requirements, expanding products and markets and accelerating commercialization of new technology.

Central to our strategy is leveraging our core operations by sharing our capabilities, technology, assets and people across the enterprise, leading to improved execution and increased customer satisfaction. Although we have taken significant strides to improve our profitability and margins, particularly through streamlining and rationalizing our manufacturing activities, we believe additional opportunities remain to further improve our cost performance. Leveraging investments across multiple end markets and making disciplined, value enhancing acquisitions, will allow us to bring product to market faster, grow our top-line sales and enhance financial returns.

Strengthening customer centricity and expanding global markets are key elements of our strategy that focus on market penetration. Foundational to growing the business is directing the entire organization to putting the customer at the center of our value system and shifting from transactional to relationship-based interactions. These relationships are built on a foundation of providing unparalleled technology with exceptional quality, delivery and value. With even stronger relationships we will be better positioned to support our customers' most important global and flagship programs and capitalize on future growth opportunities.

We continue to enhance and expand our global footprint, optimizing it to capture growth across all of our end markets. Specifically, our manufacturing and technology center footprint positions us to support customers globally – an important factor as many of our customers are increasingly focused on common solutions for global platforms. While growth opportunities are present in each region of the world, we have a primary focus on building our presence and local capability in the Asia Pacific region. Over the last few years, we have opened two new engineering facilities in the region along with new gear manufacturing facilities in India and Thailand. This past quarter, we announced breaking ground on a new facility in China to produce drive units with disconnecting all-wheel-drive technology as part of a new global customer program.

In addition to Asia, we see further growth opportunity in Eastern Europe where we have commenced construction of a new gear manufacturing facility in Hungary. This will be our third facility in the country and will give us the capability to cost effectively manufacture gears, one of our core technologies, and efficiently service our customers within the region.

The final two elements of our enterprise strategy, commercializing new technology and accelerating hybridization and electrification, focus on opportunities for product expansion. Bringing new innovations to market as industry leading products will drive growth as our new products and technology provide our customers with cutting edge solutions, address end user needs and capitalize on key market trends. An example is our industry leading electronically disconnecting all-wheel drive technology, which we believe is the most fuel efficient rapidly disconnecting system in the market and was recently selected by a major global customer for a significant new global vehicle platform – opening up new commercial channels for us in the passenger car, crossover and sport utility vehicle markets.

Initiatives to capitalize on evolving hybridization and electrification vehicle trends are a core ingredient of the current strategy. In addition to our current technologies in battery cooling and fuel cells, this element of the strategy is leveraging our electronics controls expertise across all our business units and applications such as advanced vehicle hybridization and electrification initiatives. We are working with customers to develop new solutions for those markets where electrification will be adopted first such as hybrids, buses and urban delivery vehicles. These new solutions, which include advanced electric propulsion systems with fully integrated motors and controls, are included in our recently launched Spicer Electrified portfolio of products.

The development and implementation of this enterprise strategy is positioning Dana to grow profitably over the next few years due to increased customer focus as we leverage our core capabilities, expand into new markets, develop and commercialize new technologies including for hybrid and electric vehicles.

Shareholder returns and capital structure actions — When evaluating capital structure initiatives, we balance our growth opportunities and shareholder value initiatives with maintaining a strong balance sheet and access to capital. Our strong financial position has enabled us to simplify our capital structure while providing returns to our shareholders in the form of cash dividends and reduction in the number of shares outstanding. Over the past several years, we returned $1,481 of cash to shareholders in connection with redemption of all of our preferred stock and repurchase of common shares. From program inception in 2012 through December 31, 2016, we repurchased approximately 74 million shares, inclusive of the common share equivalent reduction resulting from redemption of preferred shares. Remaining share repurchase authorization under the

33

---

program approved by our Board of Directors is $219. We declared and paid quarterly common stock dividends since the first quarter of 2013, raising the dividend from five cents to six cents per share in the second quarter of 2015.

We have taken advantage of the lower interest rate environment to refinance our senior notes at lower rates while extending the maturities. In each of the past two years, we completed refinancing transactions that resulted in lower effective interest rates while extending maturities. In April 2017, we completed a $400 2025 note offering, the proceeds of which were used to extend maturities on nearly $400 of indebtedness at significantly lower interest rates. In this year's third quarter, we redeemed an additional $350 of fixed-rate senior notes, utilizing available cash and proceeds from issuance of a floating-rate term loan. In connection with amending our credit and guaranty agreement to effectuate the term loan, we also increased our revolving credit credit facility by $100, providing us with $600 of back-up liquidity through 2022.

Aftermarket opportunities — We have a global group dedicated to identifying and developing aftermarket growth opportunities that leverage the capabilities within our existing businesses – targeting increased future aftermarket sales. In January 2016, we completed the acquisition of Magnum® Gaskets' (Magnum) aftermarket distribution business which includes the Magnum brand, product portfolio, existing customer contracts and distribution rights. The Magnum brand is the third largest aftermarket sealing brand in the U.S. and Canada, providing us with access to new customers for sealing products and an additional aftermarket channel for other products.

Selective acquisitions — Our acquisition focus is principally directed at “bolt-on” or adjacent acquisition opportunities that have a strategic fit with our existing core businesses, particularly opportunities that support our enterprise strategy and enhance the value proposition of our product offerings. Any potential acquisition will be evaluated in the same manner we currently consider customer program opportunities and other uses of capital – with a disciplined financial approach designed to ensure profitable growth and increased shareholder value.

Acquisitions

BFP and BPT — On February 1, 2017, we acquired 80% ownership interests in Brevini Fluid Power S.p.A. (BFP) and Brevini Power Transmission S.p.A. (BPT) from Brevini Group S.p.A. (Brevini). The acquisition expands our Off-Highway operating segment product portfolio to include technologies for tracked vehicles, doubling our addressable market for off-highway driveline systems and establishing Dana as the only off-highway solutions provider that can manage the power to both move the equipment and perform its critical work functions. This acquisition also brings a platform of technologies that can be leveraged in our light and commercial vehicle end markets, helping to accelerate our hybridization and electrification initiatives. The BFP and BPT acquisitions added $105 and $284 of sales and $12 and $30 of adjusted EBITDA in the third quarter and first nine months of 2017.

We paid $181 at closing using cash on hand and assumed debt of $182 as part of the transaction. The purchase price is subject to adjustment upon determination of the net indebtedness and net working capital levels of BFP and BPT as of the closing date. The terms of the agreement provide Dana the right to call Brevini's noncontrolling interests in BFP and BPT, and Brevini the right to put its noncontrolling interests in BFP and BPT to Dana, assuming Dana does not exercise its call rights, at dates and prices defined in the agreement. In connection with the acquisition of BFP and BPT, Dana agreed to purchase certain real estate currently being leased by BPT from a Brevini affiliate for €25 by November 1, 2017. Reference is made to Note 2 of the consolidated financial statements in Item 1 of Part I for the allocation of purchase consideration to assets acquired and liabilities assumed. The results of operations of these businesses are reported within our Off-Highway operating segment.

USM – Warren — On March 1, 2017, we completed the purchase of Warren Manufacturing LLC (USM – Warren), which holds certain assets and liabilities of the former Warren, Michigan production unit of U.S. Manufacturing Corporation (USM). With this transaction, we acquired proprietary tube-manufacturing processes and light-weighting intellectual property for axle tubes and shafts. Significant content was previously purchased from USM. Vertically integrating this

content strengthens the supply chain for several of our most strategic customers. The new product and process technologies for light-weighting will assist our customers in achieving their sustainability and fuel efficiency goals. The USM – Warren acquisition added $28 and $69 of sales and $3 and $9 of adjusted EBITDA in the third quarter and first nine months of 2017.

We paid $104 for this business at closing, including $25 to effectively settle trade payable obligations originating from product purchases Dana made from USM prior to the acquisition. No debt was assumed with this transaction which was funded using cash on hand. Post-closing purchase price adjustments for working capital and other items, which totaled less than $1, were received in this year's third quarter. Reference is made to Note 2 of the consolidated financial statements in Item 1 of Part I for the allocation of purchase consideration to assets acquired and liabilities assumed. The results of operations of the USM – Warren business are reported within our Light Vehicle operating segment.

34

SIFCO — On December 23, 2016, we acquired strategic assets of the commercial vehicle steer axle systems and related forged components businesses of SIFCO. The acquisition enables us to enhance our vertically integrated supply chain, which will further improve our cost structure and customer satisfaction by leveraging SIFCO's extensive experience and knowledge of sophisticated forged components. In addition to strengthening our position as a central source for products that use forged and machined parts throughout the region, this acquisition enables us to better accommodate the local content requirements of our customers, which reduces their import and other region-specific costs.

As part of the acquisition, we added two manufacturing facilities and approximately 1,400 employees. The strategic assets were acquired by Dana free and clear of any liens, claims or encumbrances and without assumption of any legacy liabilities of SIFCO. We had sales of $86 in 2016 resulting from business conducted under the previous supply agreement with SIFCO. The additional business relationships obtained as a result of the acquisition are expected to generate incremental sales of approximately $50 at current production levels.

The SIFCO purchase price was $70, with the payment of $10 of the purchase price deferred until December 2017 pending any claims under indemnification provisions of the purchase agreement. Reference is made to Note 2 of the consolidated financial statements in Item 1 of Part I for the allocation of purchase consideration to assets acquired and liabilities assumed. The results of operations of the SIFCO related business are reported within our Commercial Vehicle operating segment.

Magnum — On January 29, 2016, we acquired the aftermarket distribution business of Magnum, a U.S.-based supplier of gaskets and sealing products for automotive and commercial vehicle applications, for a purchase price of $18 at closing and additional cash payments of up to $2 contingent upon the achievement of certain sales metrics over the two-year period following the acquisition. As of the closing date of the acquisition, the contingent consideration was assigned a fair value of approximately $1. Assets acquired included trademarks and trade names, customer relationships and goodwill. The results of operations of Magnum are reported within our Power Technologies operating segment.

Divestitures

Nippon Reinz — On November 30, 2016, we sold our 53.7% interest in Nippon Reinz Co. Ltd. (Nippon Reinz) to Nichias Corporation. Dana received net cash proceeds of $5 and recognized a pre-tax loss of $3 on the divestiture of Nippon Reinz, inclusive of the derecognition of the related noncontrolling interest. Nippon Reinz had sales of $42 in 2016 through the transaction date.

Dana Companies — On December 30, 2016, we completed the divestiture of Dana Companies, LLC (DCLLC), a consolidated wholly-owned limited liability company that was established as part of our reorganization in 2008 to hold and manage personal injury asbestos claims retained by the reorganized Dana Corporation, which was merged into DCLLC. The assets of DCLLC at time of sale included cash and marketable securities along with the rights to insurance coverage in place to satisfy a significant portion of its liabilities. We received net cash proceeds of $29 at closing on December 30, 2016, with $3 retained by the purchaser subject to the satisfaction of certain future conditions. We recognized a pre-tax loss of $77 in 2016 upon completion of the transaction. We received payment of the retained $3 in the second quarter of 2017 and recognized such amount as income. Following completion of the sale, Dana has no obligation with respect to current or future asbestos claims. The sale of this business also enhanced our available liquidity since the net proceeds from the sale are available for use in our core businesses.

Trends in Our Markets

Global Vehicle Production (Full Year)

(Units in thousands)	Dana 2017 Outlook			Actual 2016	2015
North America					
Light Truck (Full Frame)	4,500	to	4,600	4,457	4,136
Light Vehicle Engines	14,800	to	15,000	15,913	15,474
Medium Truck (Classes 5-7)	240	to	250	233	237
Heavy Truck (Class 8)	245	to	255	228	323
Agricultural Equipment	50	to	60	53	58
Construction/Mining Equipment	150	to	160	150	158
Europe (including Eastern Europe)					
Light Truck	9,900	to	10,100	9,306	8,546
Light Vehicle Engines	23,800	to	24,300	23,287	22,570
Medium/Heavy Truck	460	to	485	463	434
Agricultural Equipment	195	to	210	193	202
Construction/Mining Equipment	295	to	310	290	299
South America					
Light Truck	1,200	to	1,250	980	940
Light Vehicle Engines	2,300	to	2,400	2,112	2,439
Medium/Heavy Truck	75	to	85	70	88
Agricultural Equipment	30	to	35	29	32
Construction/Mining Equipment	10	to	15	10	13
Asia-Pacific					
Light Truck	29,000	to	29,500	27,465	24,160
Light Vehicle Engines	51,000	to	52,000	50,533	47,209
Medium/Heavy Truck	1,900	to	2,000	1,661	1,383
Agricultural Equipment	640	to	670	648	676
Construction/Mining Equipment	430	to	450	396	405

North America

Light vehicle markets — Improving economic conditions during the past few years have contributed to increased light vehicle sales and production levels in North America. Overall economic conditions in North America continue to be relatively favorable with improving employment levels and upward trending consumer confidence. There continues, however, to be considerable uncertainty following the recent transition to new government leadership in the United States, and the potential impact on the economy of future actions initiated by the new administration. The North America light vehicle market has begun to show signs of weakening demand levels. Strong sales levels the past few years have significantly reduced the built-up demand to replace older vehicles. Increasing interest rates, high levels of consumer debt and declining used car prices are developments that are likely to constrict demand for new vehicles. To date, these effects have been most notable in passenger car sales. Light vehicle sales for the first nine months of 2017 decreased about 2% compared to the same period of 2016, driven by a decline in passenger car sales of about 9%. Helped by continued low fuel prices, light truck market demand continued to be relatively strong in this year's first nine months, with sales up 3% compared to last year. Many of our programs are focused in the full frame light truck segment. Sales in this segment for the first nine months of 2017 were up about 2%. Production levels were reflective of light vehicle sales. Production of approximately 13 million light vehicles in the first nine months of 2017 was 3% lower than in 2016, with passenger car production down 12% and light truck production 2% higher. Light vehicle

engine production was impacted more by the developments in the passenger car segment, down 6% from the first nine months of last year. In the key full frame light truck segment, production levels for the first nine months of 2017 increased about 3% compared to the same period of 2016. Days' supply of total light vehicles in the U.S. at the end of September 2017 was around 64 days, up from 62 days at the end of December 2016 and comparable with September 2016. In the full frame light truck segment, inventory levels were 73 days at the end of September 2017, up from 65 days at the end of December 2016 and comparable with September 2016.

36

For the remainder of 2017, we expect a generally solid economic climate in North America. However, with the strength in this market the past couple years, we believe slightly lower production levels are likely. We have reduced our full year 2017 outlook for light vehicle engine production to 14.8 to 15.0 million units which is a decrease of about 6 to 7% compared with 2016. With the full frame light truck segment continuing to show relative strength, our 2017 production outlook remains unchanged at 4.5 to 4.6 million trucks, an increase of 1 to 3% from 2016.

Medium/heavy vehicle markets — The commercial vehicle market is similarly impacted by many of the same macroeconomic developments impacting the light vehicle market. Strong production levels in the heavy truck segment in 2014 and first half of 2015 led to more trucks than required for freight demand. As a consequence, production levels in 2016 were scaled back. Both heavy and medium duty markets have shown a modest increase in demand during the first nine months of 2017. During the first nine months of 2017, heavy duty Class 8 truck production was up approximately 3% while medium duty Classes 5-7 truck production was up 6% compared with 2016.

Class 8 order levels continue to improve from those experienced in the second half of 2016 and the first quarter of 2017, prompting us to increase our outlook for full year 2017 Class 8 production to 245,000 to 255,000 trucks, a level which is up 7 to 12% compared with the 2016 build level. In the medium duty segment we have tightened our range, expecting full year 2017 medium duty production to be in the range of 240,000 to 250,000 vehicles, up 3 to 7% from 2016.

Markets Outside of North America

Light vehicle markets — Signs of an improved overall European economy have been evident, albeit mixed at times, during the past few years. Reflective of a modestly improved economy, light vehicle production levels have increased with light vehicle engine production being up about 3% in 2016 after increasing 5% in 2015, and light truck production being higher by 9 to 10% in each of the past two years. Overall market improvement continued in the first nine months of 2017 as light vehicle engine production increased about 3% and light truck production was up about 9% compared to the first nine months of last year. The United Kingdom's decision to withdraw from the European Union along with political developments in other European countries has cast an element of uncertainty around continued economic improvement in the region. At present, we expect overall stable to improving economic conditions across the entire region in 2017. Our full year 2017 outlook for light vehicle engines is unchanged from July, with production levels expected to be up 2 to 4% over 2016. Our full year 2017 outlook for light truck demand is unchanged from July, with production for the year expected to be about 6 to 9% higher than 2016. The economic climate in most South America markets the past few years has been weak, volatile and challenging. After significant production declines in 2014 and 2015, there were signs that demand levels had bottomed out in 2016. Production levels in the first nine months of 2017 were reflective of an improving market, with light vehicle engine production up about 17% compared to the same period in 2016 and light truck production higher by about 27%. With the improvement experienced during the first nine months of this year, we have increased our full year outlook for light truck production. We now expect full year light truck production to be up 22 to 28%. Our full year 2017 outlook for light vehicle engine production is unchanged from July, with production levels expected to be up 9 to 14% over 2016. The Asia Pacific markets have been relatively strong the past few years. Light truck production increased 8% in 2015 and was up another 14% in 2016, while light vehicle engine production increased 2% in 2015 and another 7% in 2016. This year's first nine months exhibited signs of continuing growth in the region. Nine-month 2017 light vehicle engine build increased 4% and light truck production was higher by 9% when compared with the same period last year. Our full year 2017 outlook for the Asia Pacific light vehicle markets remains unchanged, with light truck production expected to be 6 to 7% higher than 2016 and light vehicle engine production expected to be up 1% to 3% from last year.

Medium/heavy vehicle markets — Some of the same factors referenced above that affected light vehicle markets outside of North America similarly affected the medium/heavy markets, albeit with improvements in the medium/heavy truck

market being a little slower to manifest. Signs of a strengthening European market emerged in 2015 and 2016 with medium/heavy truck production increasing 9% in 2015 and 7% in 2016. Market strengthening continued in this year's first nine months with production increasing by 4% compared with the same period last year. Our full year outlook remains unchanged, reflecting 2017 medium/heavy truck production being flat to up 5% compared to last year. A weakening South America economic climate beginning in 2014 led to medium/heavy truck production declining 47% in 2015 and another 20% in 2016. As with the light vehicle markets, we have begun to see signs of improving economic conditions in the region. Medium/heavy truck production during the first nine months of 2017 was up 21% from the same period last year. We expect higher year-over-year production levels to continue in the fourth quarter. Our full year 2017 outlook is unchanged at 75,000 to 85,000 units, an increase of 7 to 21% from 2016. A stronger than expected China market and an improving India market contributed to an increase in medium/heavy truck production in the Asia Pacific region of about 20% in 2016. Production in this year's first nine months was especially strong – up more than 30% from the first nine months of last year. This year's strong demand was driven in part by impending regulations in China that limit axle load and weight which accelerated buying during the last half of 2016 and into

37

2017 prior to the new regulations becoming effective. Although production levels are expected to temper some in the fourth quarter, our full year 2017 production outlook was increased from July to levels 14 to 20% higher than 2016.

Off-Highway Markets — Our off-highway business has a large presence outside of North America, with approximately 75% of its sales coming from Europe and 15% from South America and Asia Pacific combined. We serve several segments of the diverse off-highway market, including construction, agriculture, mining and material handling. Our largest markets are the construction/mining and agricultural equipment segments which have been relatively weak over the past few years. Global demand in the agriculture market was down about 11% in 2014, 7% in 2015 and 5% in 2016. The construction/mining segment weakened about 4% in 2014, 11% in 2015 and 3% in 2016. During this year's first nine months, we have seen generally favorable developments in market demand, particularly in construction and mining. Our production outlooks for the year in the various regions largely remain unchanged or have strengthened some around the higher end of the ranges. We have increased the outlook for Asia Pacific construction and mining, which is now expected to be up 9 to 14% from last year.

Foreign Currency and Brexit Effects

Weaker international currencies relative to the U.S. dollar have had a significant impact on our sales and results of operations the past few years. The United Kingdom's decision to exit the European Union ("Brexit") has provided further uncertainty and potential volatility around European currencies, along with uncertain effects of future trade and other cross-border activities of the United Kingdom with the European Union and other countries. With new government leadership in the U.S. assuming control in early 2017, there is added uncertainly around future economic and trade policy and its potential impact on the U.S. dollar relative to other currencies. Approximately 55% of our consolidated sales in the first nine months of 2017 were outside the U.S., with euro zone countries, Brazil, Mexico and the United Kingdom accounting for approximately 42%, 9%, 7% and 5% of those non-U.S. sales. The potential impact of future U.S. economic and trade policy led to significant weakening of the Mexican peso against the U.S. dollar following the U.S. presidential election in November 2016, although the peso returned to pre-election rates in this year's second quarter. Although sales in Argentina and South Africa are each less than 5% of our non-U.S. sales, exchange rate movements of those countries have also significantly impacted sales from time to time. Translation of our international activities at average exchange rates in 2015 as compared to average rates in 2014 reduced sales by $516, with $268 attributable to a weaker euro and $91 to a weaker Brazil real. In 2016, weaker international currencies reduced sales by another $173. A weaker Argentine peso, British pound, Mexican peso, South African rand and Brazilian real reduced sales by $70, $23, $19, $18 and $11, while the euro was relatively stable in 2016. With overall strengthening of international currencies against the U.S. dollar in 2017, the aggregate translation impact on sales has been modest. Nine-month 2017 sales were higher by $12 due to currency translation as compared to the same period in 2016, with a stronger Brazilian real, South African rand, Thai baht and Indian rupee being partially offset by a weaker British pound, Argentine peso and Chinese yuan. Based on our current sales and exchange rate outlook, which includes a somewhat stronger euro than previously forecast, we expect the full year 2017 impact of currency translation on sales to approximate $30. Our fourth-quarter 2017 outlook is based on an assumed euro/U.S. dollar rate of 1.15, a U.S. dollar/Brazil real rate of 3.4, a British pound/U.S. dollar rate of 1.30 and a U.S. dollar/Mexican peso rate of 18.5. At sales levels in our current outlook for 2017, a 5% movement on the euro would impact our annual sales by approximately $90. A 5% change on the Brazil real, British pound, Mexican peso, Thailand baht and China yuan rates would impact our annual sales in each of those countries by approximately $10 to $20.

Brazil Market

The Brazil market is an important market for our Commercial Vehicle segment, representing about 18% of this segment's nine-month 2017 sales. Our medium/heavy truck sales in Brazil account for more than 75% of our total sales in the country. Reduced market demand resulting from the weak economic environment in Brazil in 2015 led to

production levels in the light vehicle and medium/heavy duty truck markets that were lower by about 22% and 44% from 2014. Continued weakness in 2016 resulted in further reductions in medium/heavy truck production of about 20% and a light vehicle production decline of around 10%. As a consequence, sales by our operations in Brazil for 2016 approximated $200, down from about $500 in 2014. In response to the challenging economic conditions in this country, we implemented restructuring and other cost reduction actions the past two years and continue to trim costs to the extent practicable. As discussed in Note 2 to our consolidated financial statements in Item 1, we completed a transaction in December 2016 that provided us with the underlying assets and personnel supporting our pre-existing business with a supplier along with some incremental business. With this transaction, we have enhanced our competitive position in the market and should benefit significantly in future years as the Brazilian markets rebound. As indicated above, nine-month 2017 vehicle production levels in South America were higher than the same period of last year. Brazil was a significant contributor to that performance with light truck production in this year's first nine months being higher by about 34% and medium/heavy truck production being up about 24%. Although political developments create a degree of uncertainty, the nine-month 2017 performance is an indication perhaps of the onset of improving market conditions in Brazil.

Commodity Costs

The cost of our products may be significantly impacted by changes in raw material commodity prices, the most important to us being those of various grades of steel, aluminum, copper and brass. The effects of changes in commodity prices are reflected directly in our purchases of commodities and indirectly through our purchases of products such as castings, forgings, bearings and component parts that include commodities. Most of our major customer agreements provide for the sharing of significant commodity price changes with those customers. Where such formal agreements are not present, we have historically been successful implementing price adjustments that largely compensate for the inflationary impact of material costs. Material cost changes will customarily have some impact on our financial results as customer pricing adjustments typically lag commodity price changes.

Our costs in the third quarter and first nine of 2017 increased on a year-over-year basis by approximately $17 and $36 due to higher commodity costs. In 2016, our third quarter and nine-month costs increased on a year-over-year basis by approximately $8 and $3 from increased commodity prices. Material recovery and other pricing actions increased third-quarter and nine-month 2017 sales by $8 and $12 on a year-over-year basis, whereas recovery actions increased third-quarter and nine-month sales in 2016 by $12 and $7.

Sales, Earnings and Cash Flow Outlook

	2017 Outlook	2016	2015
Sales	~$7,100	$5,826	$6,060
Adjusted EBITDA	~$835	$660	$652
Net cash provided by operating activities	~$550	$384	$406
Purchases of property, plant and equipment	~$400	$322	$260
Free Cash Flow	~$150	$62	$146

Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures. See the Non-GAAP Financial Measures discussion below for definitions of our non-GAAP financial measures and reconciliations to the most directly comparable U.S. generally accepted accounting principles (GAAP) measures. We have not provided a reconciliation of our adjusted EBITDA outlook to the most comparable GAAP measure of net income. Providing net income 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, 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.

Weaker international currencies relative to the U.S. dollar were the most significant factor reducing our sales in 2016 and 2015 by $689. Adjusted for currency and divestiture effects, sales in these years were relatively comparable, with new customer programs largely offsetting the impacts of overall weaker end user demand across our global businesses. We experienced uneven end user markets, with some being relatively strong and others somewhat weak, and the conditions across the regions of the world differing quite dramatically. In 2017, the Brevini and USM acquisitions and overall stronger market demand are contributing to higher sales, with our net new business backlog contributing about $175. As we progressed through this year's first nine months, sales benefited from strengthening market demand in our global off-highway business, improving vehicle markets outside the U.S. and continued strong demand on key North America light truck programs. Whereas currency was a headwind to sales the past few years, it became a tailwind in 2017 as the currencies in several international regions where we do business strengthened against the U.S. dollar. With another strong sales performance in this year's third quarter, we have increased our full year 2017 sales outlook to approximately $7,100.

Adjusted EBITDA margin as a percent of sales remained relatively constant at around 11% in 2016 and 2015 despite certain markets being weak and volatile. Where practicable, we have aligned our cost with weaker demand levels in certain markets. We continue to focus on margin improvement through right sizing and rationalizing our manufacturing operations, implementing other cost reduction initiatives and ensuring that customer programs are competitively priced. The operating leverage from increased sales volumes is benefiting full year 2017 Adjusted EBITDA margin. At our current sales outlook, we expect full year 2017 Adjusted EBITDA to be approximately $835, an increase from our July outlook of $790 to $820. Further margin improvement beyond 2017 is anticipated as we expect increased end user demand in certain markets, benefit from additional new business, contributions from acquisition synergy actions and continued cost discipline.

We have generated positive free cash flow in recent years while increasing capital spending to support organic business growth through launching new business with customers. Free cash flow in 2015 declined from the previous year due to lower earnings and increased capital spend to support new program launches, with lower cash taxes and restructuring payments providing a partial offset. Reduced free cash flow in 2016 was primarily attributable to our continued success in being awarded significant new customer programs. Although many of the recent program wins are not scheduled to begin production until 2018, these programs required capital investment beginning in 2016. As such, cash used for capital investments in 2016 was $62 higher than in 2015. An elevated level of capital spending has continued into the current year with an expectation that higher spending for new program launches will dissipate after 2017. Such expenditures are expected to approximate $400 in 2017, consistent with our prior outlook of $380 to $420. The USM transaction resulted in first-quarter 2017 free cash flow being reduced by $25 as a portion of the cash paid at closing was treated as having effectively settled trade payables owed to USM for product purchases prior to the acquisition. Higher earnings are currently expected to more than offset the increased capital spending and USM trade payable settlement, resulting in full year 2017 free cash flow of approximately $150, exceeding our July outlook of $80 to $120.

Among our Operational and Strategic Initiatives are increased focus on and investment in product technology – delivering products and technology that are key to bringing solutions to issues of paramount importance to our customers. Our success on this front is measured, in part, by our sales backlog – net new business received that will be launching in the future and adding to our base annual sales. This backlog excludes replacement business and represents incremental sales associated with new programs for which we have received formal customer awards. At December 31, 2016, our sales backlog of net new business for the 2017 through 2019 period was $750, comparable to our three-year sales backlog at the end of 2015, with new business wins that added sales approximating $150 being offset by reductions to the backlog to reflect the effects of weaker international currencies relative to the U.S. dollar and reduced demand levels now expected during the three-year period.

Summary Consolidated Results of Operations (Third Quarter, 2017 versus 2016)

	Three Months Ended September 30,				
	2017		2016		
	Dollars	% of Net Sales	Dollars	% of Net Sales	Increase/ (Decrease)
Net sales	$1,831		$1,384		$ 447
Cost of sales	1,562	85.3%	1,176	85.0%	386
Gross margin	269	14.7%	208	15.0%	61
Selling, general and administrative expenses	125	6.8 %	99	7.2 %	26
Amortization of intangibles	4		2		2
Restructuring charges, net	2		17		(15)
Other income, net	1		6		(5)
Earnings before interest and income taxes	139		96		43
Loss on extinguishment of debt	(13)				(13)
Interest income	3		3		—
Interest expense	25		27		(2)
Earnings before income taxes	104		72		32
Income tax expense	33		13		20
Equity in earnings of affiliates	2		2		—
Net income	73		61		12
Less: Noncontrolling interests net income	3		4		(1)

Less: Redeemable noncontrolling interests net income	1		1
Net income attributable to the parent company	$69	$57	$ 12

40

Sales — The following table shows changes in our sales by geographic region.

	Three Months Ended September 30,			Amount of Change Due To		
	2017	2016	Increase/(Decrease)	Currency Effects	Acquisitions (Divestitures)	Organic Change
North America	$926	$726	$ 200	$3	$ 36	$ 161
Europe	537	373	164	21	78	65
South America	137	94	43	(3)	14	32
Asia Pacific	231	191	40	7	5	28
Total	$1,831	$1,384	$ 447	$28	$ 133	$ 286

Sales in the third quarter of 2017 were $447 higher than in 2016. Stronger international currencies increased sales by $28. The acquisitions of BFP, BPT, SIFCO and USM – Warren in 2016 and 2017 generated a quarter-over-quarter increase in sales of $145, with the divestiture of Nippon Reinz resulting in a reduction of $12. The organic sales increase of $286 resulted primarily from stronger light truck markets, strengthening global off-highway demand, higher medium/heavy truck production levels and contributions from new business.

The North America organic sales increase of 22% was driven principally by stronger production levels on certain of our key light truck programs, with stronger medium/heavy truck production levels and off-highway demand also contributing.

Excluding currency effects, principally from a stronger euro and British pound, and the increase in sales of $78 attributable to the BFP and BPT acquisitions, third-quarter 2017 sales in Europe were 17% higher than in 2016. Organic sales growth in this year's third quarter benefited primarily from improving demand levels in our off-highway and medium/heavy duty truck markets.

South America sales in the third quarter of 2017 benefited from the SIFCO and BPT acquisitions. Excluding this impact and currency effects, sales were up 34% from the last year's third quarter. The organic sales increase in the region was driven largely by stronger production levels, with light truck production up about 30% and medium/heavy truck production higher by 32%.

Asia Pacific sales in this year's third quarter were increased by $17 with the BPT and BFP acquisitions and reduced by $12 as a result of the Nippon Reinz divestiture. Excluding these effects and currency translation impacts, the organic sales increase was 15%, primarily due to stronger light vehicle production levels and off-highway market demand.

Cost of sales and gross margin — Cost of sales for the third quarter of 2017 increased $386, or 33%, when compared to 2016. Similar to the factors affecting sales, the increase was primarily due to higher overall sales volumes and the inclusion of acquired businesses. Cost of sales as a percent of sales in 2017 was 30 basis points higher than in the previous year. Cost of sales attributed to net acquisitions approximated $112 or 84.2% of the sales of those businesses. Excluding the effects of acquisitions and divestitures, cost of sales as a percent of sales was 85.4%, 40 basis points lower than the third quarter of 2016. Higher material commodity prices increased year-over-year third-quarter cost of sales by $17. Increased start-up and launch costs of $8 also negatively impacted this year's third quarter compared to last year. Higher levels of capital spending to support new business programs also increased year-over-year depreciation by $4. Partially offsetting these increased costs were material cost reduction initiatives that generated third-quarter savings of $14. Excluding these impacts, cost of sales of the organic business would have been 84.5%, a 50 basis point improvement compared to last year's third quarter, reflecting in part the benefit from overall higher sales volume.

Gross margin of $269 for 2017 increased $61 from 2016. Gross margin as a percent of sales was 14.7% in 2017, 30 basis points lower than in 2016. Acquisitions net of divestitures added $21 of gross margin. The margin reduction as a percent of sales was driven principally by the cost of sales factors referenced above.

Selling, general and administrative expenses (SG&A) — SG&A expenses in 2017 were $125 (6.8% of sales) as compared to $99 (7.2% of sales) in 2016. SG&A attributed to net acquisitions was $15. Excluding the increase associated with acquisitions and divestitures, SG&A expenses as a percent of sales were 70 basis points lower than the same period of 2016. The year-over-year third-quarter increase of $11 exclusive of net acquisitions was primarily attributable to increased salary and benefits expenses of $19, primarily relating to increased compensation expense resulting from better performance in relation to incentive targets in 2017. Partially offsetting this increase was lower selling costs and other discretionary spending of $8.

Amortization of intangibles — The increase of $2 in amortization expense was primarily attributable to amortization of the intangibles acquired in the acquisitions completed in late 2016 and the first quarter of 2017.

Restructuring charges — Restructuring charges in the third quarter of 2017 included $1 for severance and benefit costs and $1 of exit costs primarily from previously announced initiatives. Last year's third quarter charges included approved plans to implement certain headcount reduction initiatives, primarily in our Off-Highway business. Including costs associated with this action and other previously announced initiatives, restructuring expense during the third quarter of 2016 included $16 of severance and benefit costs and $1 of exit costs.

Other income, net — The following table shows the major components of Other income, net.

	Three Months Ended September 30,	
	2017	2016
Government grants and incentives	$ 2	$ 2
Foreign exchange loss		(2)
Strategic transaction expenses	(3)	(3)
Gain on sale of marketable securities		7
Other	2	2
Other income, net	$ 1	$ 6

Loss on extinguishment of debt — As discussed in Note 12 to our consolidated financial statements in Item 1 of Part I, we redeemed the remaining $350 of our September 2021 Notes during the third quarter of 2017. We incurred redemption premiums of $10 in connection with this repayment and wrote off $3 of previously deferred financing costs associated with the debt that was extinguished.

Interest income and interest expense — Interest income was $3 in both 2017 and 2016. Interest expense was $25 in 2017 and $27 in 2016. A lower average interest rate on borrowings was partially offset by higher average debt levels in 2017. Average debt levels were higher in the third quarter of 2017 than in last year's third quarter, in part due to debt of $182 assumed in connection with the acquisition of BFP and BPT. As discussed in Note 12 to our consolidated financial statements in Item 1 of Part I, since May 2016, we completed several financing transactions which in combination with cross-currency swaps effectively resulted in euro-denominated obligations at lower interest rates. Average effective interest rates in the third quarters of 2017 and 2016, inclusive of amortization of debt issuance costs, approximated 5.4% and 6.3%.

Income tax expense — Income tax expense for the third quarter was $33 in 2017 and $13 in 2016, resulting in effective tax rates of 32% and 18%. The effective income tax rates vary from the U.S. federal statutory rate of 35% primarily due to valuation allowances in several countries, nondeductible expenses, different statutory rates outside the U.S. and withholding taxes. Jurisdictions with effective tax rates lower than the U.S. tax rate of 35% decreased the overall effective rate in both years. At September 30, 2016, we were carrying a valuation allowance against U.S. deferred tax assets. During the third quarter of 2016, we generated income in the U.S. which had the effect of reducing our effective tax rate as the tax expense on that income was offset by a corresponding reduction of the valuation allowance. Partially offsetting the reduced effective rate in 2016 attributable to U.S. income was $2 of amortization of a prepaid tax asset related to an intercompany transaction completed in 2015. As disclosed in Note 1 of the consolidated financial statements in Item 1 of Part I, we adopted new accounting guidance in 2017 which resulted in

the prepaid tax asset at the beginning of 2017 being written off directly to retained earnings. Accordingly, there is no amortization expense related to the prepaid tax asset in 2017.

In countries where our history of operating losses did not allow us to satisfy the “more likely than not” criterion for recognition of deferred tax assets, we have generally recognized no income tax on the pre-tax income or losses as valuation allowance adjustments offset the associated tax effects. Following the release of valuation allowances on our U.S. deferred tax assets in the fourth quarter of 2016, tax effects relating to U.S. income in 2017 are no longer being offset by adjustments to the valuation allowance. We believe that it is reasonably possible that a valuation allowance of up to $12 related to a subsidiary in Argentina will be released in the next twelve months.

Equity in earnings of affiliates — Net earnings from equity investments was $2 in both 2017 and 2016. Equity in earnings from Bendix Spicer Foundation Brake, LLC (BSFB) was $1 in 2017 and $2 in 2016. Equity in earnings from Dongfeng Dana Axle Co., Ltd. (DDAC) was $1 in 2017 and de minimis in 2016.

Noncontrolling interests net income — The decreased level of earnings attributable to noncontrolling interests is generally attributable to lower earnings of the consolidated operations that are less than wholly-owned. The redeemable noncontrolling interest relates to the BFP and BPT business we acquired in the first quarter of 2017 on which we have a call option as described more fully in Note 2 of the consolidated financial statements in Item 1 of Part I.

Summary Consolidated Results of Operations (Year-to-Date, 2017 versus 2016)

	Nine Months Ended September 30,				
	2017		2016		
	Dollars	% of Net Sales	Dollars	% of Net Sales	Increase/ (Decrease)
Net sales	$5,372		$4,379		$ 993
Cost of sales	4,564	85.0%	3,739	85.4%	825
Gross margin	808	15.0%	640	14.6%	168
Selling, general and administrative expenses	379	7.1 %	303	6.9 %	76
Amortization of intangibles	9		6		3
Restructuring charges, net	14		23		(9)
Other income (expense), net	(8)		9		(17)
Earnings before interest and income taxes	398		317		81
Loss on extinguishment of debt	(19)		(17)		(2)
Interest income	8		8		—
Interest expense	79		84		(5)
Earnings before income taxes	308		224		84
Income tax expense	94		66		28
Equity in earnings of affiliates	12		6		6
Net income	226		164		62
Less: Noncontrolling interests net income	13		9		4
Less: Redeemable noncontrolling interests net loss	(2)				(2)
Net income attributable to the parent company	$215		$155		$ 60

Sales — The following table shows changes in our sales by geographic region.

	Nine Months Ended September 30,			Amount of Change Due To		
	2017	2016	Increase/ (Decrease)	Currency Effects	Acquisitions (Divestitures)	Organic Change
North America	$2,781	$2,329	$ 452	$(3)	$ 91	$ 364
Europe	1,584	1,231	353		209	144
South America	371	251	120	7	38	75
Asia Pacific	636	568	68	8	14	46
Total	$5,372	$4,379	$ 993	$12	$ 352	$ 629

Sales in the first nine months of 2017 were $993 higher than in 2016. Stronger international currencies increased sales by $12. The acquisitions of BFP, BPT, SIFCO, USM – Warren and Magnum in 2016 and 2017 generated a year-over-year increase in sales of $386, with the divestiture of Nippon Reinz resulting in a reduction of $34. The organic sales increase of $629 resulted primarily from stronger light truck markets, strengthening global off-highway

demand, stronger medium/heavy truck markets in Europe and South America, and contributions from new business.

The North America organic sales increase of 16% was driven principally by stronger production levels on certain of our key light truck programs. Stronger medium/heavy truck production and off-highway demand levels also contributed to higher organic sales.

Excluding currency effects and the increase in sales of $209 attributable to the BFP and BPT acquisitions, nine-month 2017 sales in Europe were 12% higher than in 2016. As a result of improving market conditions in Europe, each of our operating segments experienced increased organic sales, primarily from higher production/demand levels.

South America sales in this year's first nine months benefited from a stronger Brazil real and increased sales from the SIFCO and BPT acquisitions. Excluding these effects, sales were up 30% from the first nine months of 2016. The organic sales increase in the region was driven largely by stronger production levels, with light truck production up about 27% and medium/heavy truck production higher by 21%.

Asia Pacific sales in the first nine months of 2017 were 12% higher than the same period of 2016. Sales increased by $48 from the BPT and BFP acquisitions, more than offsetting the $34 reduction attributable to the Nippon-Reinz divestiture. The organic sales increase of 8% in this region was due primarily to stronger light vehicle production levels and off-highway market demand, along with contributions from new customer programs.

Cost of sales and gross margin — Cost of sales for the first nine months of 2017 increased $825, or 22%, when compared to 2016. Similar to the factors affecting sales, the increase was primarily due to higher overall sales volumes and the inclusion of acquired businesses. Cost of sales as a percent of 2017 sales was 40 basis points lower than in the previous year. Cost of sales attributed to net acquisitions, which included $14 of incremental cost assigned to inventory as part of business combination accounting, amounted to $304, or 86.4% of the sales of those businesses. Excluding the effects of acquisitions and divestitures, cost of sales as percent of sales declined from 85.4% of sales in the first nine months of 2016 to 84.9% of sales in 2017 – a reduction of 50 basis points. This reduction in cost of sales as a percent of sales was largely attributable to better cost absorption as the higher sales volume prompted increases in manufacturing activity. Cost of sales also benefited from material cost savings of approximately $44 and a reduction in warranty expense of $7, which more than offset an increase in material commodity prices of $36 and start-up/launch costs of $22.

Gross margin of $808 for 2017 increased $168 from 2016. Gross margin as a percent of sales was 15.0% in 2017, 40 basis points higher than in 2016. Acquisitions net of divestitures added $48 of gross margin. The margin improvement as a percent of sales was driven principally by the cost of sales factors referenced above.

Selling, general and administrative expenses (SG&A) — SG&A expenses in 2017 were $379 (7.1% of sales) as compared to $303 (6.9% of sales) in 2016. SG&A attributed to net acquisitions was $48. Excluding the increase associated with acquisitions and divestitures, SG&A expenses as a percent of sales were 6.6% of sales, 30 basis points lower than the same period of 2016. The $28 year-over-year nine-month increase exclusive of net acquisitions was principally due to increased salary and benefits expenses of $34 primarily relating to increased compensation expense resulting from better performance in relation to incentive targets in 2017. Selling costs and other discretionary spending was $6 lower than last year's first nine months.

Amortization of intangibles — The increase of $3 in amortization expense was primarily attributable to amortization of the intangibles acquired in the acquisitions completed in late 2016 and the first quarter of 2017.

Restructuring charges — Restructuring charges of $14 in 2017 include $8 for employee separation costs attributable to headcount reductions in our Off-Highway segment as part of the BPT and BFP acquisition integration actions. Remaining amounts in 2017 primarily relate to previously announced restructuring actions. Last year's restructuring charges included $14 of costs attributable to headcount reductions in our Off-Highway segment, with remaining amounts attributable to the planned closure of our Commercial Vehicle manufacturing facility in Glasgow, Kentucky, headcount reduction actions at our corporate facilities in the U.S. and employee separation and exit costs associated with previously announced actions.

Other income (expense), net — The following table shows the major components of Other income (expense), net.

Nine
Months

	Ended September 30,	
	2017	2016
Government grants and incentives	$ 6	$ 5
Foreign exchange loss	(3)	(4)
Strategic transaction expenses	(20)	(6)
Gain on sale of marketable securities		7
Insurance recoveries		1
Amounts attributable to previously divested/closed operations	3	1
Other	6	5
Other income (expense), net	$ (8)	$ 9

The higher level of strategic transaction expenses in 2017 is primarily attributable to the Brevini and USM transactions which were completed in the first quarter of 2017. Amounts attributable to previously divested/closed operations in 2017 includes the receipt of the remaining proceeds on our December 2016 divestiture of DCLLC. See Note 17 to our consolidated financial statements in Item 1 of Part I for additional information.

Loss on extinguishment of debt — As discussed in Note 12 to our consolidated financial statements in Item 1 of Part I, we redeemed $100 of our September 2021 Notes, repaid indebtedness of our BPT and BFP subsidiaries and repaid certain bank debt in Brazil during the second quarter of 2017, and we redeemed the remaining $350 of our September 2021 Notes in this year's third quarter. We incurred redemption premiums of $15 in connection with these repayments and wrote off $4 of previously deferred financing costs associated with the debt that was extinguished. In last year's second quarter, we redeemed our February 2021 Notes, incurring a redemption premium of $12, and also restructured our domestic revolving credit facility. In connection with these transactions, we wrote off $5 of previously deferred financing costs.

Interest income and interest expense — Interest income was $8 in both 2017 and 2016. Interest expense was $79 in 2017 and $84 in 2016. A lower average interest rate on borrowings was offset by higher average debt levels in 2017. Average debt levels were higher in the first nine months of 2017 versus the same period last year, in part due to debt of $182 assumed in connection with the acquisition of BFP and BPT. As discussed in Note 12 to our consolidated financial statements in Item 1 of Part I, we completed several financing transactions since May 2016 which in combination with cross-currency swaps effectively resulted in euro-denominated obligations at lower interest rates. Average effective interest rates, inclusive of amortization of debt issuance costs, approximated 5.6% and 6.4% in 2017 and 2016.

Income tax expense — Income tax expense for the first nine months was $94 in 2017 and $66 in 2016, resulting in effective tax rates of 31% and 29%. The effective income tax rates vary from the U.S. federal statutory rate of 35% primarily due to valuation allowances in several countries, nondeductible expenses, different statutory rates outside the U.S. and withholding taxes. Jurisdictions with effective tax rates lower than the U.S. tax rate of 35% decreased the overall effective rate in both years. Jurisdictions with valuation allowances had pre-tax income in 2016 which decreased the overall effective tax rate. Partially offsetting this impact in 2016 was $8 of amortization of a prepaid tax asset related to an intercompany transaction completed in 2015. As disclosed in Note 1 of the consolidated financial statements in Item 1 of Part I, we adopted new accounting guidance in 2017 which resulted in the prepaid tax asset at the beginning of 2017 being written off directly to retained earnings. Accordingly, there is no amortization expense related to the prepaid tax asset in 2017.

In countries where our history of operating losses does not allow us to satisfy the “more likely than not” criterion for recognition of deferred tax assets, we have generally recognized no income tax on the pre-tax income or losses as valuation allowance adjustments offset the associated tax effects. Following the release of valuation allowances on our U.S. deferred tax assets in the fourth quarter of 2016, tax effects relating to U.S. income in 2017 are no longer being offset by adjustments to the valuation allowance. We believe that it is reasonably possible that a valuation allowance of up to $12 related to a subsidiary in Argentina will be released in the next twelve months.

Equity in earnings of affiliates — Net earnings from equity investments was $12 in 2017 compared with $6 in 2016. Equity in earnings from BSFB was $8 in 2017 and $7 in 2016. Equity in earnings from DDAC was $4 in 2017, inclusive of a $3 charge for asset transfer and conversion of certain assets, and negligible in 2016.

Noncontrolling interests net income — The increased level of earnings attributable to noncontrolling interests is generally attributable to increased earnings of the consolidated operations that are less than wholly-owned. The redeemable noncontrolling interest relates to the Brevini business we acquired in the first quarter of 2017 on which we have a call option as described more fully in Note 2 of the consolidated financial statements in Item 1 of Part I.

45

Segment Results of Operations (2017 versus 2016)

Light Vehicle

	Three Months			Nine Months		
	Sales	Segment EBITDA	Segment EBITDA Margin	Sales	Segment EBITDA	Segment EBITDA Margin
2016	$631	$ 73	11.6 %	$1,913	$ 202	10.6 %
Volume and mix	135	30		380	75	
Acquisition	28	3		69	9	
Performance	6	(16)		11	(8)	
Currency effects	5	1		(4)	(5)	
2017	$805	$ 91	11.3 %	$2,369	$ 273	11.5 %

Light Vehicle sales in the third quarter of 2017, exclusive of currency and the increased sales from the acquisition of USM – Warren on March 1 of this year, were 22% higher than last year, with nine-month year-over year sales up 20%. The volume-related sales increase was driven primarily by stronger production levels, content increases and favorable model mix on certain of our significant full frame light truck programs in North America, resulting in sales growth that exceeded overall higher North America full frame light truck production of 1% and 3% compared with last year's third quarter and first nine months. Nine-month sales in this segment also benefited from new customer programs, including the transfer of a program previously supported by our Commercial Vehicle segment that moved to Light Vehicle in mid-2016 when the axle used to support the program was replaced with an axle produced by the Light Vehicle segment. This program increased Light Vehicle year-over year nine-month 2017 sales by approximately $50. Stronger light truck production levels in Europe, South America and Asia Pacific also contributed to higher sales volumes. Customer pricing and cost recovery impacts increased year-over-year third quarter and nine-month sales by $6 and $11.

Light Vehicle segment EBITDA increased by $18 and $71 in this year's third quarter and first nine months when compared to the same periods of 2016. Higher sales volumes provided a benefit of $30 and $75, while the acquisition of USM – Warren contributed $3 and $9. The year-over-year performance-related earnings reduction in the third quarter was driven by $8 of increased commodity costs and $8 of incremental new program start-up and launch-related costs, with increased incentive compensation and other operating costs also reducing segment earnings. Partially offsetting these higher costs were pricing and material recovery actions that increased segment EBITDA by $6 and material cost initiatives that provided increased savings of $4. Performance-related earnings for the first nine months of this year were $8 lower than the same period of 2016. Increased commodity costs of $17 and start-up and launch costs of $22 were partially offset by improved earnings of $11 from pricing and material recovery actions and savings of $19 from material cost reduction initiatives.

Commercial Vehicle

	Three Months			Nine Months		
	Sales	Segment EBITDA	Segment EBITDA Margin	Sales	Segment EBITDA	Segment EBITDA Margin
2016	$294	$ 23	7.8 %	$976	$ 81	8.3 %
Volume and mix	55	14		24	8	
Acquisition	12	3		32		
Performance	4	(7)		10	8	
Currency effects	6			15	(6)	
2017	$371	$ 33	8.9 %	$1,057	$ 91	8.6 %

Currency effects which increased sales in the third quarter and first nine months of 2017 were primarily due to a year-over-year stronger Brazil real, with a stronger euro also contributing to the third quarter impact. The increased sales from acquisition in the year-over year 2017 periods relates to the purchase of SIFCO business late in 2016. After adjusting for the effects of currency and acquisitions, year-over-year 2017 sales in our Commercial Vehicle segment increased 20% in this year's third quarter and 3% for the nine-month period. The volume-related increase was primarily attributable to higher production levels in North America, where third-quarter and nine-month Class 8 production was up 29% and 3% and Classes 5-7 production was up 14% and 6%. Also contributing to the higher sales volume was third-quarter and nine-month production increases of 32% and 21% in South America and 3% and 4% in Europe. Partially offsetting the increased production levels in the nine-month period

was the transfer of a program having sales of about $50 to the Light Vehicle segment which began supplying the axle for the program in mid-2016.

Commercial Vehicle year-over-year segment EBITDA increased by $10 in both the third-quarter and nine-month periods of this year. Although sales benefited from currency translation, segment EBITDA was minimal in the third quarter and negatively impacted by currency transaction losses in the nine-month period. Higher sales volumes increased 2017 third-quarter and nine-month 2017 earnings by $14 and $8. Higher commodity costs decreased third quarter performance-related earnings by $4, with increased incentive compensation expense and other net cost increases reducing earnings by $10. Material recovery pricing actions of $4 and savings from material cost reduction initiatives of $3 provided a partial offset. Performance-related EBITDA for this year's first nine months benefited by $10 from pricing and material recovery actions, $7 from lower warranty expense and $8 of material cost savings, more than offsetting higher material commodity costs of $8 and other increased costs of $9.

Off-Highway

	Three Months			Nine Months		
	Sales	Segment EBITDA	Segment EBITDA Margin	Sales	Segment EBITDA	Segment EBITDA Margin
2016	$199	$ 28	14.1 %	$692	$ 97	14.0 %
Volume and mix	70	14		136	27	
Acquisition	105	12		284	30	
Performance		—		(5)	3	
Currency effects	10	1				
2017	$384	$ 55	14.3 %	$1,107	$ 157	14.2 %

A stronger euro contributed to the third quarter sales increase. Over the nine-month period, compared to 2016 the euro was relatively stable. The increased sales from acquisition resulted from the purchase of the Brevini BPT and BFP operations on February 1, 2017. After adjusting for these two items, year-over-year sales in this year's third quarter and first nine months were higher by 35% and 19% compared to 2016, primarily from higher global end-market demand.

Off-Highway segment EBITDA increased by $27 in this year's third quarter and by $60 in this year's first nine months compared with the same periods of 2016. The BPT and BFP acquisitions contributed $12 and $30 of the year-over-year increases. Performance-related earnings in this year's third quarter and nine-month period resulted principally from year-over-year material cost savings of $4 in the third quarter and $9 for the first nine months, which offset reduced customer pricing and other items.

Power Technologies

	Three Months			Nine Months		
	Sales	Segment EBITDA	Segment EBITDA Margin	Sales	Segment EBITDA	Segment EBITDA Margin
2016	$260	$ 42	16.2 %	$798	$ 120	15.0 %
Volume and mix	18	7		77	25	
Divestiture	(12)			(33)	(2)	
Performance	(2)	(9)		(4)	(11)	
Currency effects	7	1		1		
2017	$271	$ 41	15.1 %	$839	$ 132	15.7 %

Power Technologies primarily serves the light vehicle market but also sells product to the medium/heavy truck and off-highway markets. Net of currency effects and the lower sales from the Nippon Reinz divestiture in the fourth quarter of 2016, sales in the third quarter and first nine months of 2017 increased 6% and 9%, primarily due to overall stronger market demand and new customer programs.

Segment EBITDA in this year's third quarter was lower by $1 when compared to the same period of 2016, with nine-month year-to-date segment earnings up $12. A reduction of $9 in year-over-year third quarter performance-related earnings was driven by higher commodity costs of $3, customer pricing reductions of $2 and other net cost increases of $4. For the

comparative nine-month period, higher commodity costs of $9, customer pricing reductions of $4 and other net cost increases of $6 were partially offset by savings from material cost reduction initiatives of $8.

Non-GAAP Financial Measures

Adjusted EBITDA

We have defined adjusted EBITDA 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 earnings before income taxes, net income or other results reported in accordance with GAAP. Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

The following table provides a reconciliation of net income to adjusted EBITDA.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net income	$73	$61	$226	$164
Equity in earnings of affiliates	2	2	12	6
Income tax expense	33	13	94	66
Earnings before income taxes	104	72	308	224
Depreciation and amortization	62	48	172	136
Restructuring	2	17	14	23
Interest expense, net	22	24	71	76
Other*	26	7	73	35
Adjusted EBITDA	$216	$168	$638	$494

* Other includes stock compensation expense, strategic transaction expenses, distressed supplier costs, amounts attributable to previously divested/closed operations, acquisition related inventory adjustments and other items. See Note 18 to our consolidated financial statements in Item 1 of Part I for additional details.

Free Cash Flow

We have defined free cash flow as cash provided by 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 operating activities reported under GAAP. Free cash flow may not be comparable to similarly titled measures reported by other companies.

The following table reconciles net cash flows provided by operating activities to free cash flow.

	Three Months	Nine Months Ended

	Ended September 30,		September 30,	
	2017	2016	2017	2016
Net cash provided by operating activities	$181	$42	$361	$182
Purchases of property, plant and equipment	(82)	(68)	(251)	(198)
Free cash flow	$99	$(26)	$110	$(16)

48

Liquidity

The following table provides a reconciliation of cash and cash equivalents to liquidity, a non-GAAP measure, at September 30, 2017:

Cash and cash equivalents	$558
Less: Deposits supporting obligations	(6)
Available cash	552
Additional cash availability from Revolving Facility	579
Marketable securities	38
Total liquidity	$1,169

Cash deposits are maintained to provide credit enhancement for certain agreements and are reported as part of cash and cash equivalents. For most of these deposits, the cash may be withdrawn if a comparable security is provided in the form of letters of credit. Accordingly, these deposits are not considered to be restricted.

Marketable securities are included as a component of liquidity as these investments can be readily liquidated at our discretion.

The components of our September 30, 2017 consolidated cash balance were as follows:

	U.S.	Non-U.S.	Total
Cash and cash equivalents	$87	$ 312	$399
Cash and cash equivalents held as deposits		6	6
Cash and cash equivalents held at less than wholly-owned subsidiaries	3	150	153
Consolidated cash balance	$90	$ 468	$558

A portion of the non-U.S. cash and cash equivalents is utilized for working capital and other operating purposes. Several countries have local regulatory requirements that significantly restrict the ability of our operations to repatriate this cash. Beyond these restrictions, there are practical limitations on repatriation of cash from certain subsidiaries because of the resulting tax withholdings and subsidiary by-law restrictions which could limit our ability to access cash and other assets.

The principal sources of liquidity available for our future cash requirements are expected to be (i) cash flows from operations, (ii) cash and cash equivalents on hand and (iii) borrowings from our Revolving Facility. We believe that our overall liquidity and operating cash flow will be sufficient to meet our anticipated cash requirements for capital expenditures, working capital, debt obligations, common stock repurchases and other commitments during the next twelve months. While uncertainty surrounding the current economic environment could adversely impact our business, based on our current financial position, we believe it is unlikely that any such effects would preclude us from maintaining sufficient liquidity.

In April 2017, Dana Financing Luxembourg S.à r.l. (DFL) completed the issuance of $400 of its April 2025 Notes. Net proceeds of the offering totaled $394. The proceeds from the offering were used to repay indebtedness of our BPT and BFP subsidiaries, repay indebtedness of a wholly-owned subsidiary in Brazil, redeem $100 of our September 2021 Notes and for general corporate purposes. The September 2021 Notes were redeemed on April 4, 2017 at a price equal to 104.031% plus accrued and unpaid interest.

On August 17, 2017, we entered into an amended credit and guaranty agreement comprised of a $275 term facility (the Term Facility) and a $600 revolving credit facility (the Revolving Facility) both of which mature on August 17, 2022. On September 14, 2017, we drew the entire amount available under the Term Facility. Net proceeds from the Term Facility draw totaled $274. The proceeds from the Term Facility were used to redeem the remaining $350 of our

September 2021 Notes at a price equal to 102.688% plus accrued and unpaid interest and for general corporate purposes.

At September 30, 2017, we had no outstanding borrowings under the Revolving Facility but we had utilized $21 for letters of credit. We had availability at September 30, 2017 under the Revolving Facility of $579 after deducting the outstanding letters of credit.

At September 30, 2017, we were in compliance with the covenants of our financing agreements. Under the Revolving Facility and our senior notes, we are required to comply with certain incurrence-based covenants customary for facilities of these types. The incurrence-based covenants in the Revolving Facility permit us to, among other things, (i) issue foreign

subsidiary indebtedness, (ii) incur general secured indebtedness subject to a pro forma first lien net leverage ratio not to exceed 1.50:1.00 in the case of first lien debt and a pro forma secured net leverage ratio of 2.50:1.00 in the case of other secured debt and (iii) incur additional unsecured debt subject to a pro forma total net leverage ratio not to exceed 3.50:1.00. We may also make dividend payments in respect of our common stock as well as certain investments and acquisitions subject to a pro forma total net leverage ratio of 2.75:1.00. In addition, the Revolving Facility is subject to a financial covenant requiring us to maintain a first lien net leverage ratio not to exceed 2.00:1.00. The indentures governing the senior notes include other incurrence-based covenants that may subject us to additional specified limitations.

We did not repurchase any shares during the first nine months of 2017 under our existing $1,700 common stock share repurchase program. Approximately $219 remains available under the program for future share repurchases.

From time to time, depending upon market, pricing and other conditions, as well as our cash balances and liquidity, we may seek to acquire our senior notes or other indebtedness or our common stock through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as we may determine (or as may be provided for in the indentures governing the notes), for cash, securities or other consideration. There can be no assurance that we will pursue any such transactions in the future, as the pursuit of any alternative will depend upon numerous factors such as market conditions, our financial performance and the limitations applicable to such transactions under our financing and governance documents.

Cash Flow

	Nine Months Ended September 30,	
	2017	2016
Cash used for changes in working capital	$(80)	$(142)
Other cash provided by operations	441	324
Net cash provided by operating activities	361	182
Net cash used in investing activities	(438)	(187)
Net cash used in financing activities	(113)	(72)
Net decrease in cash and cash equivalents	$(190)	$(77)

The table above summarizes our consolidated statement of cash flows.

Operating activities — Exclusive of working capital, other cash provided by operations was $441 and $324 in 2017 and 2016. The year-over-year increase in other cash provided by operations is primarily attributable to higher operating earnings in 2017. Partially offsetting the stronger earnings performance were increased 2017 payments for restructuring actions and transaction costs associated with acquisitions.

Working capital used cash of $80 and $142 in 2017 and 2016. Cash of $242 and $152 was used to finance increased receivables in 2017 and 2016. The higher level of cash required for receivables in 2017 was due primarily to higher year-over-year third-quarter sales. Cash of $87 and $57 was used to fund higher inventory levels in 2017 and 2016. Partially offsetting cash used for higher receivables and inventory in both 2017 and 2016 was cash provided by increases in accounts payable and other net liabilities of $249 and $67.

Investing activities — Expenditures for property, plant and equipment were $251 and $198 in 2017 and 2016. The $53 increase in capital expenditures is primarily to support launching new business with customers. During 2017, we paid $106, net of cash acquired, to acquire 80% ownership interests in BFP and BPT and $78 to acquire USM – Warren. Also during 2017, we received the remaining $3 of proceeds related to our 2016 sale of DCLLC. During 2016, we

paid $18 to acquire the aftermarket distribution business of Magnum. During 2017 and 2016, purchases of marketable securities were funded by proceeds from sales and maturities of marketable securities.

Financing activities — During 2017, DFL completed the issuance of $400 of its April 2025 Notes and paid financing costs of $6 related to the notes. We paid financing costs of $3 related to our Term Facility and Revolving Facility and drew the entire $275 available under the Term Facility. We redeemed all $450 of our September 2021 Notes at a $14 premium, repaid indebtedness of a wholly-owned subsidiary in Brazil at a premium of $1 and repaid indebtedness of our BPT and BFP subsidiaries. During 2016, DFL completed the issuance of $375 of its June 2026 Notes and paid financing costs of $7 related to the notes. We redeemed all of our February 2021 Notes at a $12 premium and made scheduled repayments of $28 and took out $66 of additional long-term debt at international locations. Also during 2016, we paid financing costs of $3 related to our

domestic revolving facility. We used $26 and $26 for dividend payments to common stockholders in 2017 and 2016. We used $81 to repurchase 6,612,537 common shares in 2016.

Off-Balance Sheet Arrangements

There have been no material changes at September 30, 2017 in our off-balance sheet arrangements from those reported or estimated in the disclosures in Item 7 of our 2016 Form 10-K.

Contractual Obligations

The acquisition of 80% ownership interests in Brevini Fluid Power S.p.A. (BFP) and Brevini Power Transmission S.p.A. (BPT) from Brevini Group S.p.A. (Brevini) in February 2017 included the assumption of approximately $293 of liabilities, increasing our contractual obligations at September 30, 2017 versus those reported in Item 7 of our 2016 Form 10-K. The terms of the related agreement provide Dana the right to call the noncontrolling interests in BFP and BPT held by Brevini, and Brevini the right to put its noncontrolling interests in BFP and BPT to Dana, assuming Dana does not exercise its call rights, at dates and prices defined in the agreement. The redemption value of the redeemable noncontrolling interests in BFP and BPT was $47 at September 30, 2017. In connection with the acquisition of BFP and BPT, Dana agreed to purchase certain real estate currently being leased by BPT from a Brevini affiliate for €25. See Notes 2 and 7 to our consolidated financial statements in Item 1 of Part I for additional information.

The issuance of $400 of April 2025 Notes in early April 2017 and the subsequent use of the related proceeds to repay indebtedness extended the maturities on nearly $400 of indebtedness at significantly lower interest rates. In September 2017, we redeemed the remaining $350 of our September 2021 Notes using available cash and proceeds from our $275 Term Facility. See Note 12 to our consolidated financial statements in Item 1 of Part I for additional information.

As discussed below under Critical Accounting Estimates, an additional contribution in connection with the termination of a U.S. defined benefit pension plan may occur in the first half of 2019.

Contingencies

For a summary of litigation and other contingencies, see Note 14 to our consolidated financial statements in Item 1 of Part I. We believe that any liabilities beyond the amounts already accrued that may result from these contingencies will not have a material adverse effect on our liquidity, financial condition or results of operations.

Critical Accounting Estimates

The preparation of our consolidated financial statements in accordance with GAAP requires us to use estimates and make judgments and assumptions about future events that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. There have been no material changes in the application of our significant accounting policies or critical accounting estimates. Our significant accounting policies are described in Note 1 to our consolidated financial statements in Item 1 of Part I, as well as in Note 1 to our consolidated financial statements in Item 8 of our 2016 Form 10-K. Our critical accounting estimates are described in Item 7 of our 2016 Form 10-K.

Pension Plans – Long-term interest rates on high quality corporate debt instruments, which are used to determine the discount rates used in the valuation of our defined benefit pension obligations, have decreased during 2017. The lower interest rates, if unchanged during the fourth quarter, would result in a year-end discount rate of 3.62% for our U.S. plans versus the 3.92% discount rate used at the end of 2016. Our return on pension assets through the first nine months of 2017 has been better than our 6.0% annual expected return on plan assets. Notwithstanding other changes in assumptions, including those noted below, we would expect using a discount rate of 3.62% and earning a 6.0%

annualized return on plan assets during the fourth quarter to result in an immaterial actuarial gain for the U.S. defined benefit plans at December 31, 2017.

In October 2017, the Dana Board of Directors authorized the company to pursue termination of one of its U.S. defined benefit pension plans. Ultimate plan termination is subject to prevailing market conditions and other considerations, including interest rates and annuity pricing. In the event the company proceeds with effectuating termination, subject to regulatory approval, settlement of the plan obligations is expected to occur in the first half of 2019. Based on current interest rate levels and asset valuations, the benefit obligations and associated assets of the plan being terminated approximates $1,020 and $910, respectively. When measuring the benefit obligations of this plan at the end of 2017, we expect to use assumptions that reflect the manner in which the liabilities are expected to be settled, including assumptions around whether liabilities will be settled through lump sum payments or purchase of annuities and the cost to purchase annuities. Application of these plan termination

assumptions is currently expected to increase the plan's benefit obligation by and result in an actuarial loss of approximately $65. Assuming plan assets are unchanged from current levels and settlement occurred at the adjusted liability at December 31, 2017, a cash contribution approximating $175 would be required. The ultimate cash contribution required to effect settlement of the obligations in the first half of 2019 will depend on the actual manner of settlement selected by participants, the prevailing cost of annuities at that time and plan asset returns prior to settlement. Using assumptions based on current market rates and manner of settlement experience and assuming existing asset levels, we estimate the pre-tax deferred actuarial loss in accumulated other comprehensive income that will be recognized as expense at time of settlement would be in the range of $330 to $415.
Considering the impacts described above, the funded status of our defined benefit pension plans in the U.S. at the end of 2017 would approximate 86%, comparable to the funded position at the end of 2016. We currently expect there to be no minimum funding requirements for our U.S. plans in 2018.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

During the third quarter of 2017, we entered into an amended credit and guaranty agreement comprised of a $275 term facility (the Term Facility) and a $600 revolving credit facility (the Revolving Facility) both of which mature on August 17, 2022. On September 14, 2017, we drew the entire amount available under the Term Facility. The proceeds from the Term Facility were used to redeem the remainder of our September 2021 Notes and for general corporate purposes. The Revolving Facility amended our previous revolving credit facility. Advances under the Term Facility and the Revolving Facility bear interest at a floating rate based on, at our option, the base rate or Eurodollar rate (each as described in the revolving credit agreement) plus a margin.

During the second quarter of 2017, we issued $400 of April 2025 Notes through a wholly-owned subsidiary, DFL. In conjunction with the issuance, we executed fixed-to-fixed cross-currency swaps with the same critical terms as the April 2025 Notes. We used the $394 of proceeds from the April 2025 Notes to repay a portion of the indebtedness of BFP and BPT, to repay indebtedness of a subsidiary in Brazil and to redeem $100 of our September 2021 Notes.

See Notes 12 and 13 to our consolidated financial statements in Item 1 of Part I for additional information.

Other than the refinancing activities described above, there have been no material changes to market risk exposures related to changes in currency exchange rates, interest rates or commodity costs from those discussed in Item 7A of our 2016 Form 10-K.

Item 4. Controls and Procedures

Disclosure controls and procedures — We maintain disclosure controls and procedures that are designed to ensure that the information disclosed in the reports we file with the SEC under the Securities Exchange Act of 1934, as amended (the Exchange Act), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our CEO and CFO, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Report on Form 10-Q. Our CEO and CFO have concluded that, as of the end of the period covered by this Report on Form 10-Q, our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective.

Changes in internal control over financial reporting — There was no change in our internal control over financial reporting that occurred during our fiscal quarter ended September 30, 2017 that has materially affected, or is

reasonably likely to materially affect, our internal control over financial reporting. During the quarter ended March 31, 2017, we acquired Warren Manufacturing LLC (USM – Warren) and 80% ownership interests in Brevini Fluid Power S.p.A. (BFP) and Brevini Power Transmission S.p.A. (BPT) and are currently integrating USM – Warren, BFP and BPT into our operations, compliance programs and internal control processes. As permitted by SEC guidance, management intends to exclude USM – Warren, BFP and BPT from its assessment of internal controls over financial reporting as of December 31, 2017.

CEO and CFO certifications — The certifications of our CEO and CFO that are attached to this report as Exhibits 31.1 and 31.2 include information about our disclosure controls and procedures and internal control over financial reporting. These certifications should be read in conjunction with the information contained in this Item 4 and in Item 9A of Part II of our 2016 Form 10-K for a more complete understanding of the matters covered by the certifications.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are a party to various pending judicial and administrative proceedings that arose in the ordinary course of business. After reviewing the currently pending lawsuits and proceedings (including the probable outcomes, reasonably anticipated costs and expenses and our established reserves for uninsured liabilities), we do not believe that any liabilities that may result from these proceedings are reasonably likely to have a material adverse effect on our liquidity, financial condition or results of operations. Legal proceedings are also discussed in Note 14 to our consolidated financial statements in Item 1 of Part I of this Form 10-Q.

Item 1A. Risk Factors

There have been no material changes in our risk factors disclosed in Item 1A of our 2016 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer's purchases of equity securities — Our $1,700 Board of Directors approved common stock share repurchase program expires on December 31, 2017. We repurchase shares utilizing available excess cash either in the open market or through privately negotiated transactions. The stock repurchases are subject to prevailing market conditions and other considerations. No shares of our common stock have been repurchased under the program since the second quarter of 2016. Approximately $219 remained available under the program for future share repurchases as of September 30, 2017.

Item 6. Exhibits

Exhibit No.	Description
3.1	Second Restated Certification of Incorporation of Dana Incorporated. Filed as Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed October 31, 2014 and incorporated by reference herein.
3.2	Certificate of Amendment to the Second Restated Certificate of Incorporation of Dana Incorporated, effective as of August 1, 2016. Filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed August 1, 2016 and incorporated by reference herein.
3.3	Amended and Restated Bylaws of Dana Incorporated, effective as of August 1, 2016. Filed as Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed August 1, 2016 and incorporated by reference herein.
10.1	Amendment No. 1 to Revolving Credit and Guaranty Agreement and Amendment No. 1 to the Revolving Facility Security Agreement, dated as of August 17, 2017, among Dana Incorporated, certain domestic subsidiaries of Dana Incorporated party thereto, Citibank, N.A., as administrative agent and collateral agent, and the lenders and issuing banks party thereto. Filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed August 17, 2017 and incorporated by reference herein.
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer. Filed with this Report.

31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer. Filed with this Report.
32	Section 1350 Certifications (pursuant to Section 906 of the Sarbanes-Oxley Act of 2002). Filed with this Report.
101	The following materials from Dana Incorporated’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2017, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statement of Operations, (ii) the Consolidated Statement of Comprehensive Income, (iii) the Consolidated Balance Sheet, (iv) the Consolidated Statement of Cash Flows and (v) Notes to the Consolidated Financial Statements. Filed with this Report.

53

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

DANA INCORPORATED

Date: October 26, 2017 By: /s/ Jonathan M. Collins
Jonathan M. Collins
Executive Vice President and
Chief Financial Officer

54