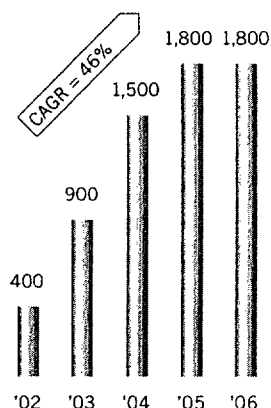
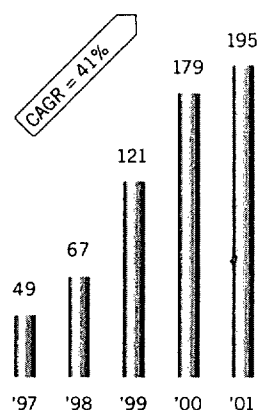


\$ in millions



New technology has been a major factor in helping Dana secure approximately \$6 billion in new business over the next five years with a variety of global customers.

\$ in millions



Automotive Systems sales to overseas manufacturers with U.S. operations has grown at an impressive 41% compound annual growth rate over the past five years, providing important diversification.

These new technologies and other promising innovations demonstrate our ongoing commitment to developing proprietary, high-value solutions to better serve our customers. They have also been major factors in helping to secure new business with a variety of global customers. In fact, Dana has been awarded net new business which is projected to add approximately \$6 billion in total over the next five years.

Included among these programs are several projects with overseas manufacturers with U.S. operations, such as Toyota, Nissan, BMW, Land Rover, and others. As the graphic at bottom left illustrates, Automotive Systems growth in this area has been strong with a consolidated annual growth rate of more than 40 percent over the past five years.

Of course, this is not to diminish the importance of our largest customers, the traditional "Big Three" vehicle manufacturers:



Ford, General Motors, and DaimlerChrysler. Despite a more intense competitive environment within the automotive industry, these manufacturers clearly remain global market leaders. We take pride in continuing to work closely with these customers in developing some of the world's most exciting cars and trucks, and we believe strongly in our collective future.

Our new business growth is also supported by a strong quality heritage. In April, I was honored to be among those representing the Dana Corporation in accepting our nation's highest quality honor, the Malcolm Baldrige National Quality Award, from U.S. President George W. Bush. Awarded to the U.S. operations of our Torque Management Group, the award is the second Baldrige earned by a Dana operation. Only five companies have earned this recognition twice.

Globally, we continued to build on this quality commitment with 19 state and national quality awards in 2001, as well as 55 quality certifications from our customers. We are honored by these awards, but the underlying statement they make is even more impressive: Dana people are committed to providing our customers with world-class products and services.

A New Model for Profitable Growth.

So where do we go from here? For starters, our industry – and our company – simply cannot continue to conduct business the way we have in the past. Over the years, there has been a great deal of conjecture about whether we are in a cyclical business.