Table of Contents

month LIBOR plus an average of 4.92% (the combined rate was 6.32% at December 31, 2003) on a notional amount of $825 and the six-month Euro interbank offered rate (EURIBOR) plus an average of 3.79% (the combined rate was 6.56% at December 31, 2003) on a notional amount of €200. These agreements expire in March 2010 ($250) and August 2011 ($575 and €200). Based on the aggregate fair value of these agreements at December 31, 2003, we recorded a noncurrent liability of $11 and offset the carrying value of long-term debt. This adjustment of long-term debt, which does not affect the scheduled principal payments, will fluctuate with the fair value of the swap agreements and will not be amortized if the agreements remain open.

Note 11. Stock Option Plans

Under the Dana Stock Incentive Plan, which was approved by shareholders in 2003 and amended and restated the 1997 Stock Option Plan, the Compensation Committee of the Board may grant stock options to Dana employees. Options outstanding have been granted at option prices not less than the market price of the stock at the date of grant. Generally, one-fourth of the options granted become exercisable at each of the first four anniversary dates of the grant and all options expire ten years from the date of grant. Stock appreciation rights may be granted separately or in conjunction with the options. At December 31, 2003, there were 6,005,225 shares available for future grants under this plan.

When we merged with Echlin Inc. in 1998, we assumed Echlin's 1992 Stock Option Plan for employees and the underlying Echlin shares were converted to Dana stock. At the time of the merger, there were options outstanding under this plan for the equivalent of 1,692,930 Dana shares. No options were granted under this plan after the merger. When the plan expired in 2002, the outstanding options remained exercisable according to their terms.

This is a summary of transactions under these plans in the last three years:

	Number of Shares	Exercise Price
Outstanding at December 31, 2000	12,862,399	$34.94
Granted — 2001	2,763,200	25.05
Exercised — 2001	(52,003)	15.97
Cancelled — 2001	(632,643)	35.85
Outstanding at December 31, 2001	14,940,953	$33.14
Granted — 2002	3,161,850	15.29
Exercised — 2002	(2,589)	20.13
Cancelled — 2002	(590,959)	26.69
Outstanding at December 31, 2002	17,509,255	$30.14
Granted — 2003	2,544,650	8.34
Exercised — 2003	(1,850)	15.33
Cancelled — 2003	(2,581,622)	32.77
Outstanding at December 31, 2003	17,470,433	$26.57