

DANA HOLDING CORP  
Form 10-Q  
July 26, 2012

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**Form 10-Q**

**Quarterly Report Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**For the quarterly period ended: June 30, 2012**

**Commission File Number: 1-1063**

**Dana Holding Corporation**

*(Exact name of registrant as specified in its charter)*

Delaware  
(State of incorporation)

26-1531856  
(IRS Employer Identification Number)

3939 Technology Drive, Maumee, OH 43537  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(419) 887-3000**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes  No

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

(Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY

PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

APPLICABLE ONLY TO CORPORATE ISSUERS:

There were 147,896,999 shares of the registrant’s common stock outstanding at July 13, 2012.

**DANA HOLDING CORPORATION – FORM 10-Q**  
**FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2012**

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**PART I – FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****Dana Holding Corporation****Consolidated Statement of Operations (Unaudited)****(In millions except per share amounts)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Net sales	\$1,949	\$1,933	\$3,926	\$3,733
Costs and expenses				
Cost of sales	1,674	1,700	3,383	3,285
Selling, general and administrative expenses	110	107	223	206
Amortization of intangibles	19	21	38	38
Restructuring charges, net	20	11	26	41
Other income (expense), net	8	20	5	(28 )
Income before interest expense and income taxes	134	114	261	135
Interest expense	20	20	41	39
Income before income taxes	114	94	220	96
Income tax expense	27	31	64	62
Equity in earnings of affiliates	2	7	6	11
Net income	89	70	162	45
Less: Noncontrolling interests net income	3	2	6	7
Net income attributable to the parent company	86	68	156	38
Preferred stock dividend requirements	7	7	15	15
Net income available to common stockholders	\$79	\$61	\$141	\$23
Net income per share available to parent company common stockholders:				
Basic	\$0.53	\$0.41	\$0.96	\$0.16
Diluted	\$0.40	\$0.32	\$0.73	\$0.15
Weighted-average common shares outstanding				
Basic	147.9	146.7	147.7	146.0
Diluted	214.6	214.8	214.7	149.7
Dividends declared per common share	\$0.05	\$-	\$0.10	\$-

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

**Dana Holding Corporation****Consolidated Statement of Comprehensive Income (Unaudited)****(In millions)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Net income	\$ 89	\$ 70	\$ 162	\$ 45
Less:				
Noncontrolling interests net income	3	2	6	7
Net income attributable to the parent company	86	68	156	38
Other comprehensive income (loss), net of tax:				
Currency translation adjustments	(79 )	32	(35 )	83
Unrealized hedging gains and losses:				
Holding gains and losses (net of \$2 tax, six months 2012)	(4 )	1	2	1
Reclassification to net income	4		6	
Unrealized investment and other gains and losses:				
Holding gains and losses	(1 )		1	
Defined benefit plans:				
Net actuarial loss			(1 )	
Amortization of net actuarial losses included in net periodic benefit	4	5	7	10

cost				
Settlement loss		4		5
Other				
comprehensive				
income (loss)	(76 )	42	(20 )	99
attributable to the				
parent company				
Currency				
translation	(1 )	1		1
adjustments				
Other				
comprehensive				
income (loss)	(1 )	1	-	1
attributable to				
noncontrolling				
interests				
Total				
comprehensive				
income attributable	10	110	136	137
to the parent				
company				
Total				
comprehensive				
income attributable	2	3	6	8
to noncontrolling				
interests				
Total				
comprehensive	\$ 12	\$ 113	\$ 142	\$ 145
income				

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

**Dana Holding Corporation****Consolidated Balance Sheet (Unaudited)****(In millions except share and per share amounts)**

	June 30, 2012	December 31, 2011
Assets		
Current assets		
Cash and cash equivalents	\$ 881	\$ 931
Marketable securities	60	56
Accounts receivable		
Trade, less allowance for doubtful accounts of \$8 in 2012 and 2011	1,106	979
Other	183	193
Inventories		
Raw materials	419	388
Work in process and finished goods	452	396
Other current assets	135	106
Total current assets	3,236	3,049
Goodwill	97	100
Intangibles	347	400
Other noncurrent assets	261	273
Investments in affiliates	202	198
Property, plant and equipment, net	1,232	1,285
Total assets	\$5,375	\$ 5,305
Liabilities and equity		
Current liabilities		
Notes payable, including current portion of long-term debt	\$ 103	\$ 71
Accounts payable	1,009	942
Accrued payroll and employee benefits	151	150
Accrued restructuring costs	42	33
Taxes on income	78	46
Other accrued liabilities	236	251
Total current liabilities	1,619	1,493
Long-term debt	851	831
Pension and postretirement obligations	569	762
Other noncurrent liabilities	386	381
Total liabilities	3,425	3,467
Commitments and contingencies (Note 12)		
Parent company stockholders' equity		
Preferred stock, 50,000,000 shares authorized		
Series A, \$0.01 par value, 2,500,000 shares outstanding	242	242
Series B, \$0.01 par value, 5,221,199 shares outstanding	511	511



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Common stock, \$0.01 par value, 450,000,000 shares authorized, 147,896,999 and 147,319,438 outstanding	1	1
Additional paid-in capital	2,652	2,643
Accumulated deficit	(875 )	(1,001 )
Treasury stock, at cost (712,779 and 645,734 shares)	(10 )	(9 )
Accumulated other comprehensive loss	(670 )	(650 )
Total parent company stockholders' equity	1,851	1,737
Noncontrolling equity	99	101
Total equity	1,950	1,838
Total liabilities and equity	\$5,375	\$ 5,305

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

**Dana Holding Corporation****Consolidated Statement of Cash Flows (Unaudited)****(In millions)**

	Six Months Ended June 30,	
	2012	2011
Cash flows - operating activities		
Net income	\$162	\$45
Depreciation	96	110
Amortization of intangibles	44	45
Amortization of deferred financing charges and original issue discount	3	4
Loss on extinguishment of debt		53
Unremitted earnings of affiliates	(4 )	(11 )
Stock compensation expense	10	8
Deferred income taxes	(5 )	4
Pension contributions (in excess of) less than expense	(181)	2
Change in working capital	(139)	(172)
Other, net	5	