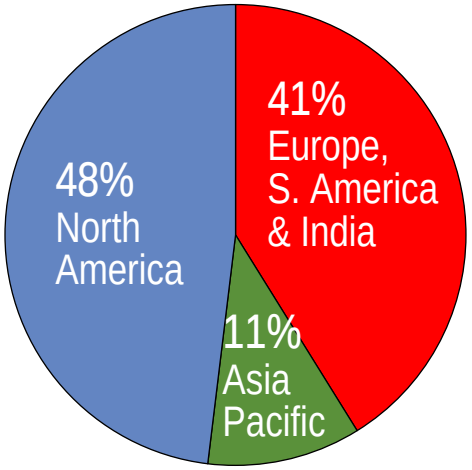

TENNECO

Global Supplier – Emission and Ride Control Systems

2010 Revenues – $5,937MM



2009 Revenues – $4,649MM

	2010	2009
Emission Control / Ride Control	64 / 36	63 / 37
Original Equipment / Aftermarket	80 / 20	78 / 22

Product, Market and Geographic Balance

Tenneco Strengths

Balance

- Customers
- Geographies
- Markets
- Products

Product Technology

- Solutions to meet emissions regulations
- Vehicle ride & handling performance

Operational Excellence

- Executing with discipline

Our People

- Strong alignment globally
- Strength at all levels
- Talented and dedicated
- Passion for winning

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Tenneco Global Operations

Approximately 22,000 employees serving customers globally from more than 80 manufacturing facilities and 14 engineering and technical centers

Leading Light Vehicle Market Positions – 2010

Product Category	Regions / Market Position*		Key Competitors in Market-Share Order
Original Equipment Emission Control	North America	#1	Faurecia, Yutaka Giken, Calsonic Kansei
	Europe	#2	Faurecia, Eberspächer
	China	#2	Faurecia, Sejong Industrial
	South America	#2	Faurecia, Magneti Marelli
Original Equipment Ride Control	North America	#1	Hitachi, ZF Sachs, Beijing West
	Europe	#2	ZF Sachs, KYB, Beijing West
	South America	#2	Magneti Marelli, ZF Sachs
Aftermarket Emission Control	North America	#1	AP Exhaust Products, Car Sound Exhaust Systems, IMCO
	Europe **	#1	Bosal, Klarius Group
Aftermarket Ride Control	North America	#1	KYB, Ride Control LLC
	Europe**	#1	KYB, ZF Sachs
	South America	#1	Magneti Marelli, Affinia, ZF Sachs

* Tenneco estimates for 2010
** Excludes OE Service

Top 20 Customers

As a % of Total 2010 Revenues, with Geographic Mix

1.	General Motors	19.0%	
2.	Ford Motor	13.3%	
3.	Volkswagen Group	7.5%	
4.	Toyota Motor	5.0%	
5.	Daimler AG	4.3%	
6.	SAIC Motor	3.3%	
7.	BMW	3.1%	
8.	Chrysler	2.1%	
9.	NAPA	2.1%	
10.	PSA Peugeot Citroën	2.0%	

11.	First Auto Works	2.0%	
12.	Navistar	1.9%	
13.	Advance Auto Parts	1.6%	
14.	Tata Motors	1.5%	
15.	Temot	1.4%	
16.	Geely Automotive	1.3%	
17.	Nissan Motor	1.2%	
18.	O'Reilly Automotive	1.1%	
19.	Uni-Select	1.0%	
20.	Changan Automotive	1.0%	

OE Customer

AM Customer

Balanced Customer Mix

North America

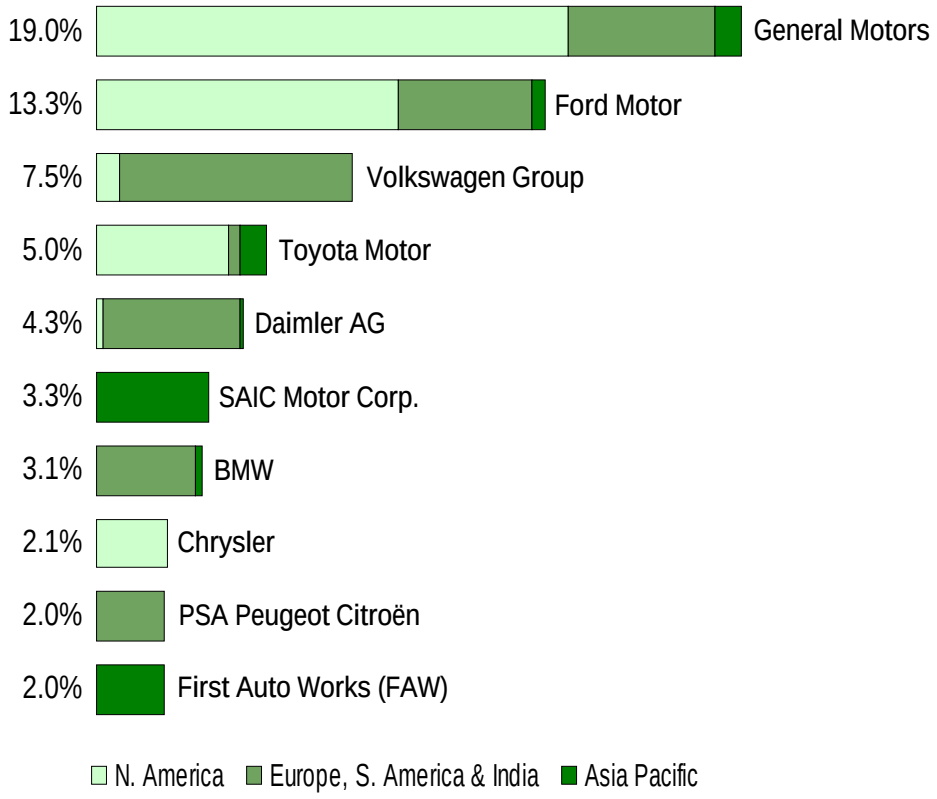
Europe, S. America & India

Asia Pacific

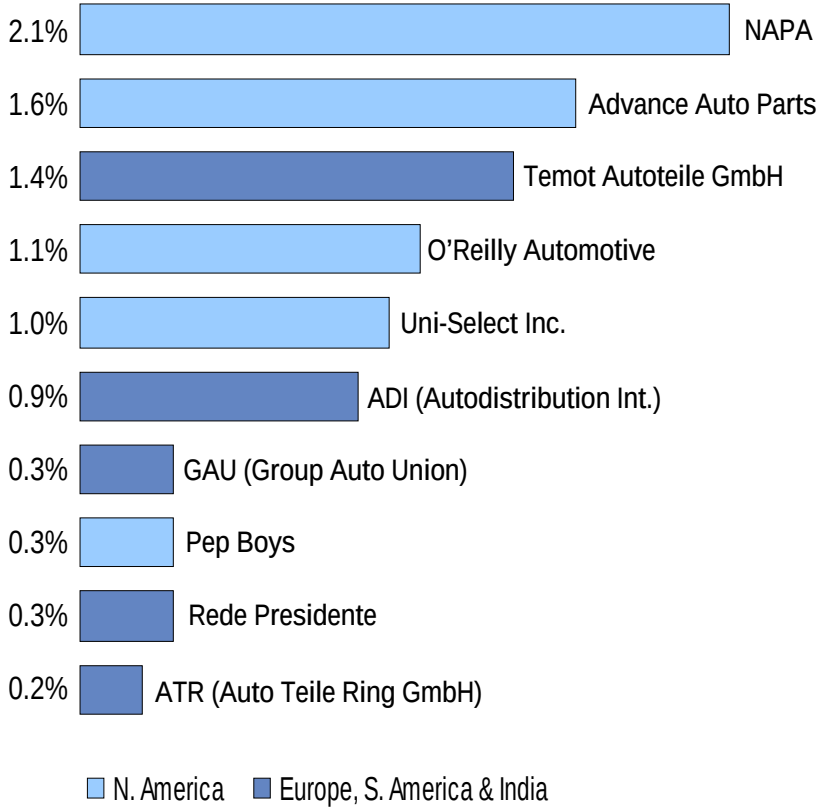
Largest Customers

As a % of Total 2010 Revenues

Original Equipment

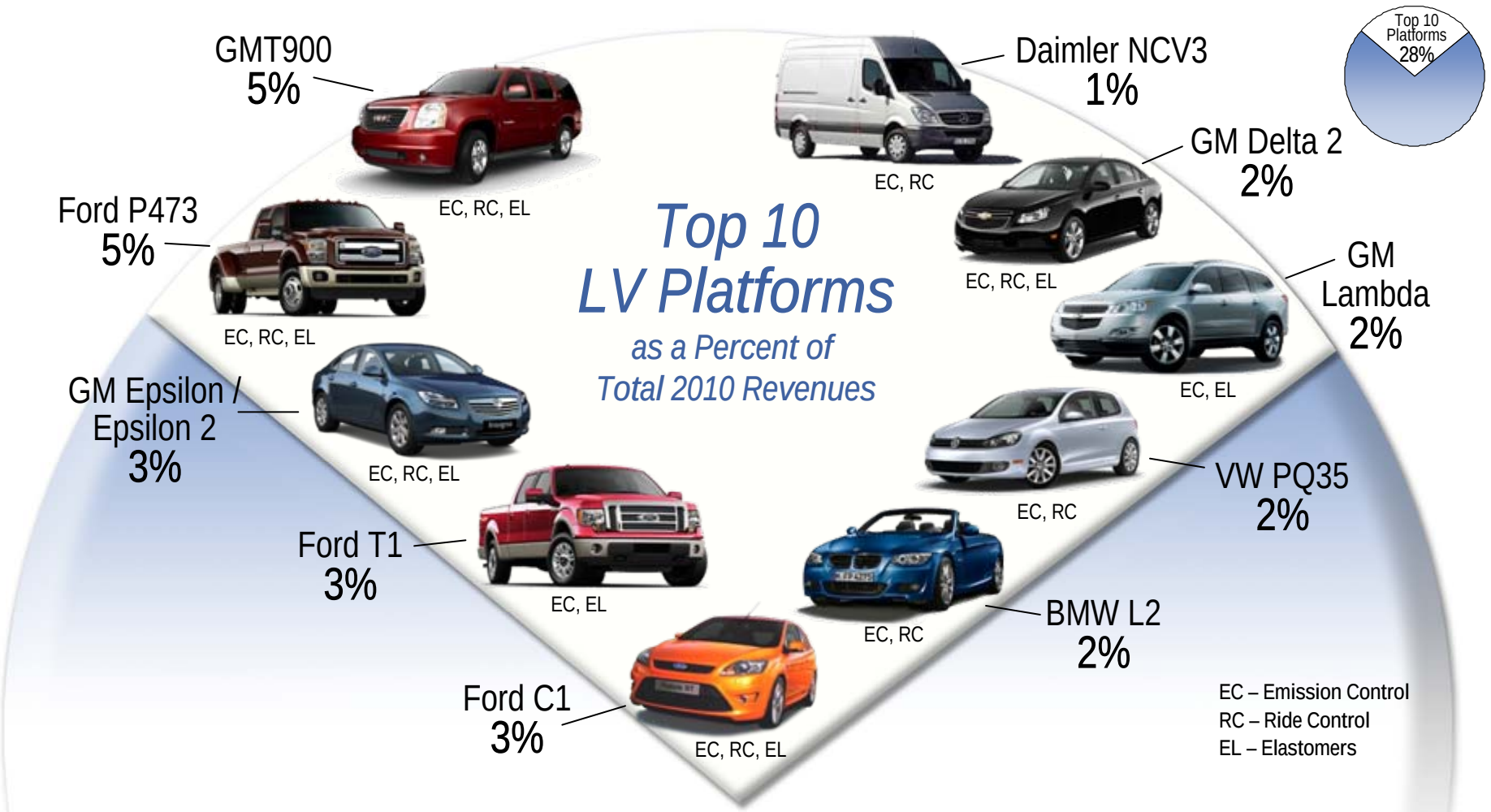


Aftermarket



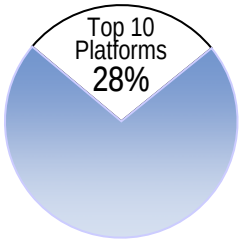
Balanced Customer Mix

Diversified Light Vehicle Platform Mix



- *Products on 252 platforms*
- *Average annual platform revenue $15MM*

Diversified Light Vehicle Platform Mix



- *Products on 252 platforms*
- *Average annual platform revenue $15MM*

Percent of Total 2010 Revenues	*Top 10 LV Platforms*	*EC*	*RC*	*EL*
5%	GMT900	x	x	x
5%	Ford P473	x	x	x
3%	GM Epsilon/Epsilon 2	x	x	x
3%	Ford T1	x		x
3%	Ford C1	x	x	x
2%	BMW L2	x	x	
2%	VW PQ35	x	x	
2%	GM Lambda	x		x
2%	GM Delta 2	x	x	x
1%	Daimler NCV3	x	x	

EC – Emission Control
RC – Ride Control
EL – Elastomers

Second Quarter 2011 Financial Results

$ Millions, except as noted

	Q2 2011	Q2 2010	B/(W)	% Change
Revenues	1,888	1,502	386	26%
Gross Margin (%)	17.1%	18.6%	(1.5%)	(8%)
SGA&E (% of Sales)	8.1%	8.7%	0.6%	7%
Adjusted EBIT †	115	97	18	19%
Adjusted EBITDA *†	169	149	20	13%
Adjusted Net Income †	50	38	12	32%
Adjusted EPS ($) †	0.81	0.62	0.19	31%
Cash Flow From Operations	67	104	(37)	(36%)

* Including noncontrolling interests.

† Adjusted for restructuring activities, costs related to refinancing and tax adjustments. See reconciliations to U.S. GAAP at end of presentation.

2010 Financial Results

$ Millions, except as noted

	FY 2010	FY 2009	B/(W)	% Change
Revenues	5,937	4,649	1,288	28%
Gross Margin (%)	17.5%	16.6%	0.9%	5%
SGA&E (% of Sales)	9.0%	9.5%	0.5%	5%
Adjusted EBIT †	306	118	188	159%
Adjusted EBITDA *†	517	335	182	54%
Adjusted Net Income †	96	(29)	125	NM
Adjusted EPS ($) †	1.57	(0.59)	2.16	NM
Cash Flow From Operations	244	241	3	1%

* Including noncontrolling interests.

† Adjusted for restructuring activities, pension charges, costs related to refinancing, environmental reserve and tax adjustments. See reconciliations to U.S. GAAP at end of presentation.

Strategic Initiatives

Invest in growing markets with proprietary technologies

- Leading emission control technologies to meet regulations
- Adjacent markets for new revenue opportunities
- Advanced technology for improved ride performance
- BRIC+T markets for rapid growth
- Enhance customer mix
- Leverage aftermarket premium brands and distribution strength

Advance operational excellence

- Continuous productivity improvements with Tenneco Manufacturing System
- Standardized global processes and capabilities
- Optimize global footprint
- Improvements in safety and quality

Improve financial strength

- Capitalize on cash flow and EVA discipline
- Focus on reducing leverage
- Target net debt/adjusted mid-cycle EBITDA* ratio of 2.0X

* Including noncontrolling interests

Regulatory-Driven Growth Opportunities

Global Emissions Regulation Timeline

CVS - Commercial Vehicle Systems
LVS - Light Vehicle Systems

* Phased in
** Estimated date

	2008	2009	2010	2011	2012	2013	2014	2015
U.S.	Locomotive & Marine Tiers 0-2		US-10 CVS On-Highway Motorcycle Rule Tier 2	US Off-Road Tier 4i*	Locomotive & Marine Tier 3 CA CVS Retrofit*	R.I.C.E. Stationary	US Off-Road Diesel Tier 4f* Locomotive & Marine Tier 4* CA LEV III	US Fed Tier 3 LVS*,**
EUROPE	Euro-5 CVS	Euro-5 LVS*	NL Marine OE / Retrofit PM 2.5 & NO_2 limits	EU Off-Road Stage 3B EU CO_2 / GHG 120g PM # LVS	Motorcycle Euro 4	Euro-6 CVS EU Sound regulation	EU Off-Road Stage 4 Euro-6 LVS*	Motorcycle Euro 5**
CHINA	Euro-3 Two-Wheel Beijing Euro-4 LVS	Beijing CVS Yellow Label	Euro-4 LVS		Euro-4 CVS Euro-5 LVS* Beijing Euro-5 CVS		Tier 4i Off-Road Major cities**	Euro-5 CVS**
JAPAN	Cold-start restrictions LVS	Japan-09 LVS / CVS		NOx reductions LVS		JP-13 CVS		JP-16 CVS*
BRAZIL		US Tier 2 LVS* Motorcycle Rule*			Euro-5 CVS			
RUSSIA	Euro-3 LVS				Euro-4 LVS / CVS		Euro-5 CVS	
INDIA			Euro-4 LVS* Motorcycle Rule*	Euro-4 CVS 11 Cities			Euro-5 CVS**	

Stricter Emission Regulations

Linking Regulations to Full Suite of Technologies

	2010	2011	2012	2012	2013	2014	2014	2015
Regulations	US-10 CVS On-road	US-Tier 4i CVS Off-road EU Stage 3B CVS Off-road	China – Euro-4 CVS On-road	Brazil Euro-5 CVS On-road	EU Euro-6 CVS On-road	US-Tier 4f CVS Off-road EU Stage 4 CVS Off-road	US Locomotive / Marine Tier 4	US Fed Tier 3 LVS (Estimated)
	Reduction in NOx	*Reduction in Diesel Particulates*	*Reduction in NOx*	*Reduction in NOx*	*Reduction in Diesel Particulates and NOx*	*Reduction in NOx*	*Reduction in Diesel Particulates and NOx*	*Reduction in HC, NMOG and Particulates (Non-Methane Organic Gas)*
Tenneco's Full Suite of Technologies	Turnkey Urea SCR System with Dosing Module	Off-road Diesel Oxidation Catalyst & DPF	Turnkey Urea SCR System with Dosing Module	Turnkey Urea SCR System with Dosing Module	Turnkey Urea SCR System with Dosing Module	Turnkey Urea SCR System with Dosing Module	Turnkey Urea SCR System	Electronic Exhaust Valve
	Hydrocarbon Injector	Hydrocarbon Injector	Hydrocarbon Injector	Hydrocarbon Injector	Hydrocarbon Injector	Hydrocarbon Injector	Off-Road Diesel Oxidation Catalyst & DPF	Fabricated 3-Layer Manifold
	Lean NOx Adsorber	Off-road Emissions Module	CVS Vaporizer	Hydrocarbon Lean NOx Catalyst	T.R.U.E.-Clean® Thermal Management	T.R.U.E.-Clean® Thermal Management	T.R.U.E.-Clean® Thermal Management	Gasoline Particulate Filter
	CVS Vaporizer	T.R.U.E.-Clean® Thermal Management		CVS Vaporizer	CVS Vaporizer	CVS Vaporizer	Retrofit Aftertreatment	Emissions Air Pump
	T.R.U.E.-Clean® Mini	T.R.U.E.-Clean® Mini			Hydrocarbon Lean NOx Catalyst	Hydrocarbon Lean NOx Catalyst	Hydrocarbon Lean NOx Catalyst	Hydrocarbon Trap
					SOLID SCR™	SOLID SCR™	Common Rail Urea Dosing	
							Modular Tier 4 Aftertreatment	

In production or currently ready for production

In development

Regulatory-Driven Emission Control Product Pipeline

Technology Roadmap

2009	2010	2011	2012	2013	2014	2015
Turnkey SCR System	Off-Road Diesel Oxidation Catalyst & DPF	Fuel Vaporizer	3 Layer Manifold	Stationary Engine Aftertreatment	Multiwrap Converter	Low Pressure EGR Valve
Urea Injection and Dosing Module	Off-Road Emissions Module	Hydrocarbon Injector	Hydrocarbon Lean NOx Catalyst	Common Rail Urea Dosing System	Gasoline Particulate Filter	Combined DPF / SCR Catalyst
Retrofit Locomotive Aftertreatment		Fabricated Diesel Manifold	Low Backpressure Valve Muffler	CVS Vaporizer	Integrated Manifold / Turbocharger Housing	Thermoelectric Generator
		Retrofit Marine Aftertreatment	Air Assist Dosing System	SOLID SCR™	Tier 4 Locomotive Aftertreatment	Emissions Air Pump
		Electronic Exhaust Valve	Exhaust Gas Heat Exchanger	T.R.U.E-Clean® Mini		Hydrocarbon Trap
		Gen 3 Urea Dosing System				
		Enhanced 32 bit ECU				
In production or production ready			*In development – production ready in 2012-2015*			

Light Vehicle Technologies to Meet Evolving Powertrain Needs

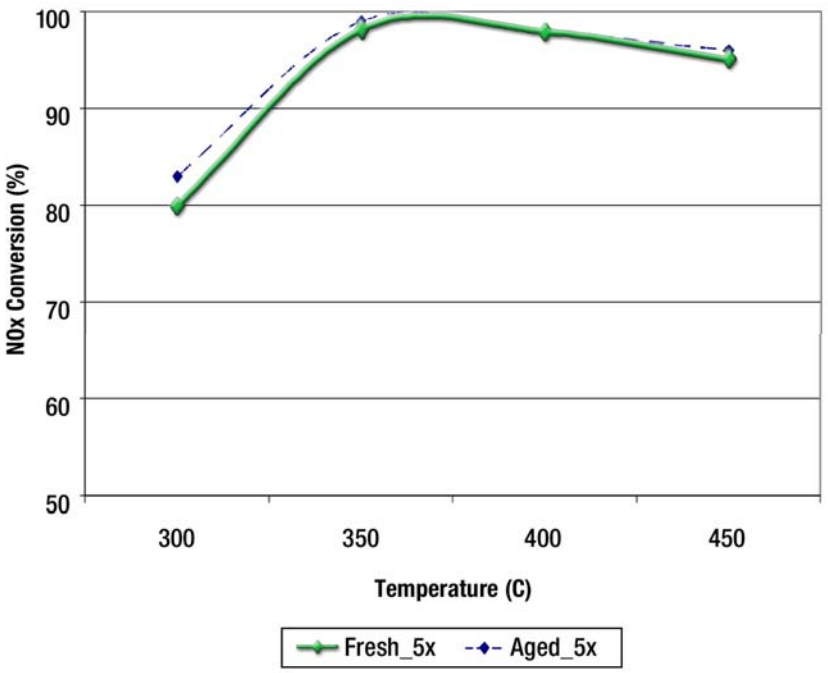
TENNECO

Improving Fuel Economy

Gasoline	Gas Direct Injection	Diesel	Gas & Diesel Hybrids
			Micro, Mild, Full, Plug-in
• Catalytic converter systems • Ultra-thin substrate converters • Semi-active muffler valve technology • Fabricated manifolds • Lightweight mufflers and thin-wall pipes	• Catalytic converter systems • Ultra-thin substrate converters • Semi-active muffler valve technology • Lightweight mufflers and thin-wall pipes • Fabricated manifolds • Gasoline particulate filters • Heat exchangers • HC-LNC for Lean GDI	• Diesel particulate filters • Diesel oxidation catalysts • Selective catalytic reduction and HC-LNC • NOx adsorber • Lightweight mufflers and thin-wall pipes • Fabricated manifolds • Heat exchangers • Vaporizers • Electronic valves and piping for exhaust gas recirculation	• Diesel aftertreatment • Catalytic converter systems • Ultra-thin substrate converters • Semi-active muffler valve technology • Fabricated manifolds • Lightweight mufflers and thin-wall pipes • Heat exchangers

HC-Lean NOx Catalyst Technology

NOx Conversion Efficiency with E85 Reductant



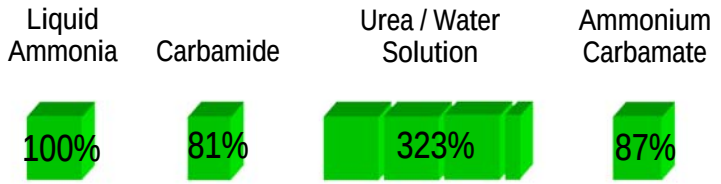
Engine Evaluation Conditions: ULSD fuel, C:N = 5 (200ppm NOx), 7% H2O, 9% O2, 50K/hr Space Velocity. 50 hours thermally aged at 650C; E85 reductant.

- *Collaborative effort to develop proprietary high performance NOx aftertreatment that requires no driver refilling of reductant*
- *Utilizes no platinum group metals, replaces DOC*
- *Advantages of HC-LNC Technology:*
  - Use of existing reductant infrastructure
  - E85 is readily available
  - Lower operating cost
  - Resistance to thermal and sulfur aging
  - Improved low temperature NOx conversion
  - Superior cold climate performance
  - Reduced electrical demand
  - Easier packaging; shorter mixing length
  - Lower cost materials
- *Developed for both on-road and off-road applications*

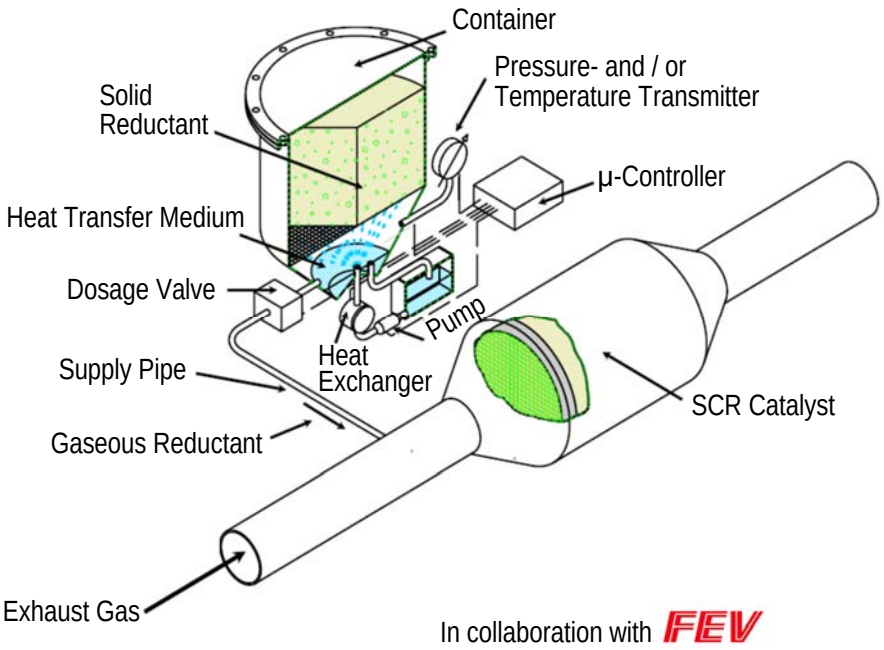
Tenneco SOLID SCR™ System

Advantages:

- Packaging
  - Lower volumes/mass source for NH3
  - Refill at maintenance interval
- Lower complexity than liquid SCR
  - No sophisticated injector requirement
  - No thermolisis & hydrolysis reactions
  - Easier packaging; shorter mixing length
- Functionality at very low temperatures
  - Better performance for cold start response time
  - No freeze / thaw concerns
- High potential for better cost and function



Storage volume required for equal ammonia capacity

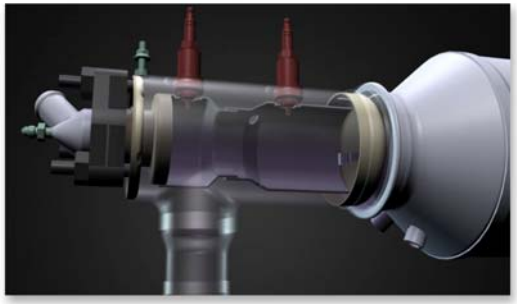


In collaboration with FEV

Thermal Management Solutions

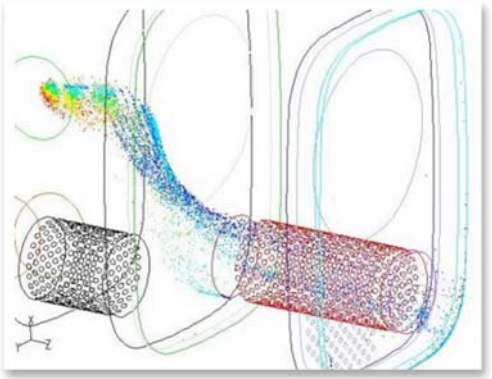
T.R.U.E.-Clean®

- Active heat management for DPF regeneration; used instead of a diesel oxidation catalyst
- Works with EGR or SCR
- Sulfur tolerant, cost effective alternative to DOC
- On and off-road applications with exhaust temperatures < 300C



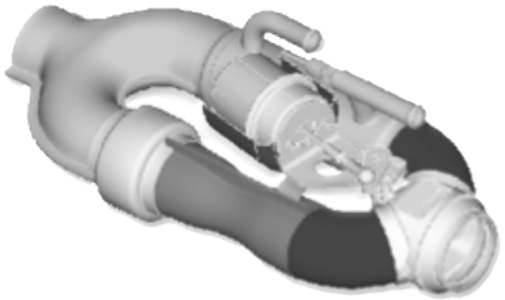
Hydrocarbon Injection

- HC secondary injection utilizes Tenneco's injector and vaporizer technology to promote reliable DPF regeneration



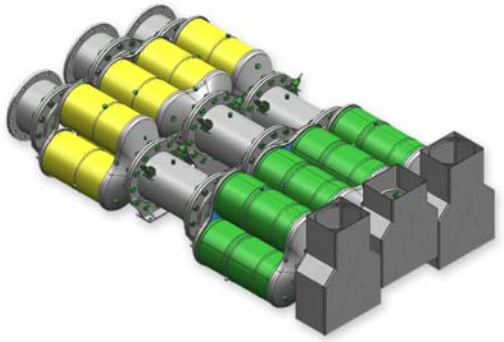
Exhaust Heat Recuperation

- Heat Exchanger to convert wasted energy into accessible on-board power



Locomotive and Marine Emission Control Opportunities

- *Utilizing modular strategy to expand into locomotive diesel aftertreatment*
  - Bundling commercial vehicle aftertreatment components for large engines
- *Began shipping prototypes to customers in 2010*
- *Tenneco, GE Transportation and Umicore are jointly developing Hydrocarbon LNC technology*
  - Tenneco awarded development contract for GE locomotive applications
  - Positioned to become long-term strategic supplier to GE Transportation
- *Aftertreatment systems designed for locomotive engine can be adapted for use with marine engines and stationary power*



Ride Control Technology Roadmap

Technology Roadmap

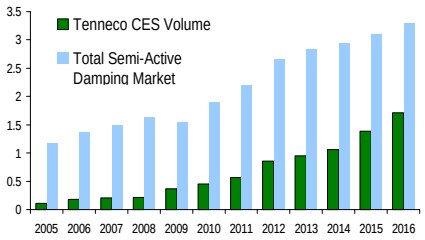
2009	2010	2011	2012	2013	2014	2015
Multi Tunable Valve (Global Valve)	Plastic Spring Seat	Variable Tube Thickness	Thin Wall Lightweight Monotube	FSD Valving System	Integrated CVS Regenerative Damper	Semi-active Internal Valve
Hollow Piston Rod	Kinetic® H2 CES Combo	Velocity Progressive Seat Dampers	CES II External Valve	DRiV™ Digital Valve		ENRES Energy Recuperation
Blow Off Disc Spring Valve	Lightweight Aluminum Tube	High-Velocity Compression Damping	Green Shock with Bio Oil	Lightweight Composite Strut		ACOCAR™ Active System
BOCS Valve	Kinetic® H2 for ATV		Aluminum Dual Tube Damper	DRiV™ Cab Shock		
	Lightweight Rod Guide			Dual Stage Electronic Shock		
				Hydraulic Leveling		
				Global Valve II		
				CVS Double Path Mount		
				Motorbike Electronic Shock		
In production or production ready			*In development – production ready in 2012-2015*			

Electronic Damping Technologies for Improved Ride Performance and Safety

Continuously Controlled Electronic Suspension (CES)

- *Continue to win and launch new CES business*
  - In production on 30 models with multiple customers including Volvo, Audi, Ford Europe, Mercedes/AMG, Volkswagen, BMW
  - In development with 9 additional models
- *Selling price is about 4-6 times price for a standard shock*

European Electronic Dampers Market Evolution and Tenneco Growth (In Millions of Units)



IN PRODUCTION

Kinetic® + CES (H2CES)

- *Combination of Kinetic® and CES*

  Kinetic® – Independent corner control with a more neutral steering behavior

  CES – Semi-active body and wheel hop control with a better compromise between handling and comfort
- *Recently debuted on the McLaren MP4-12C*
- *Awarded "Supplier of the Year" from Vehicle Dynamics International magazine for our Kinetic® H2/CES Semi-Active Suspension*
- *In testing and development for another manufacturer*

IN PRODUCTION

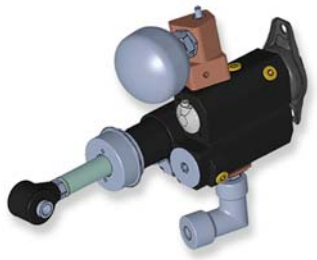
DRiV™ Digital Valve

- *Targeting substantial portion of CES benefits for broader market*
- *Lower total system cost – no dedicated ECU required*
- *Improved packaging and reduced power consumption*

IN DEVELOPMENT

Actively COntrolled CAR (ACOCAR™)

- *Fully-active suspension with ultimate comfort and excellent handling*
- *In development with a global OEM*



IN DEVELOPMENT

Advanced Ride Technologies Driving Growth

Lightweight Components

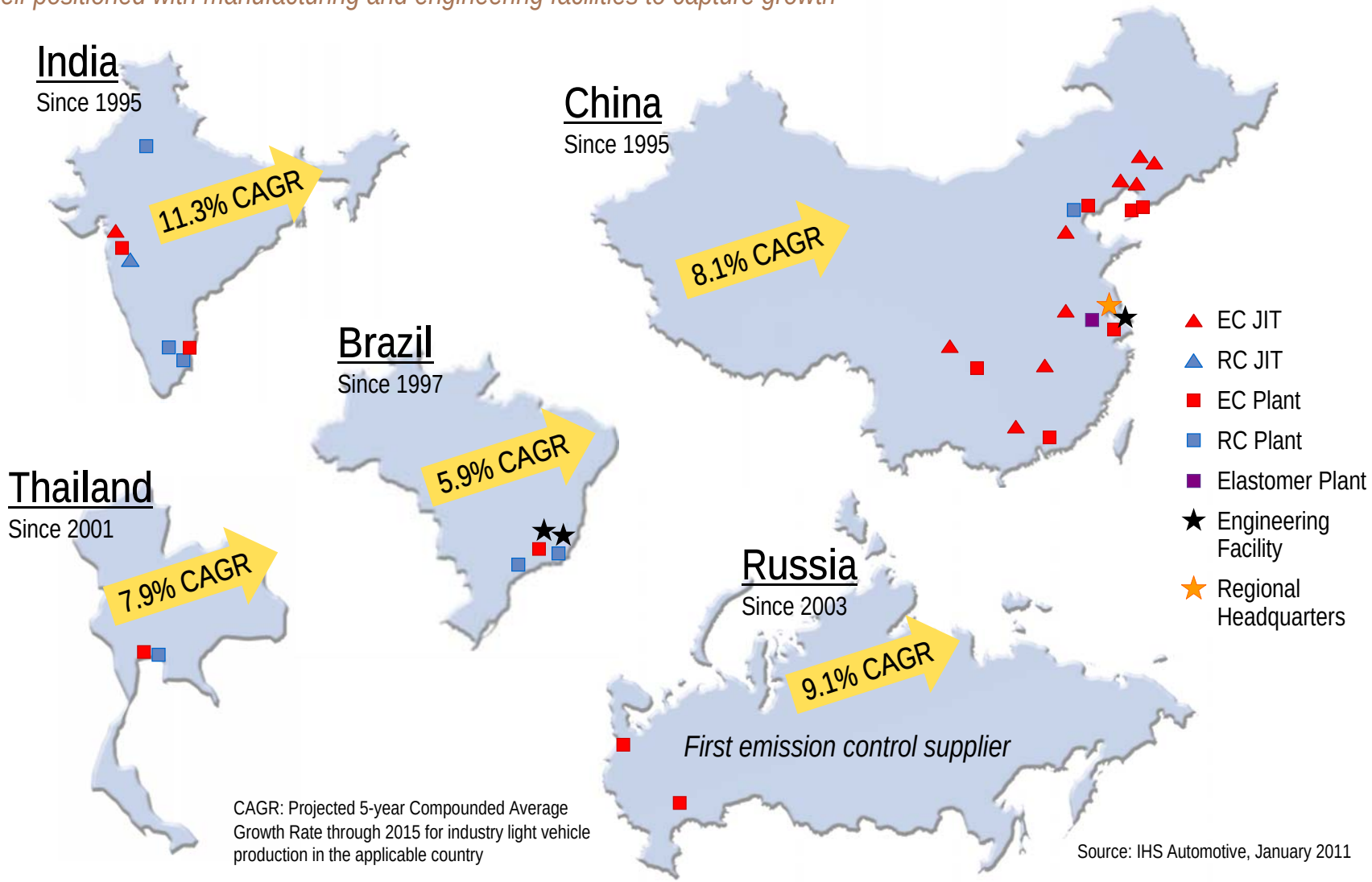
- *Improves fuel economy and CO_2 reduction through reduced weight*
  - Hollow rod
  - Aluminum tube
  - Variable tube thickness
  - Plastic spring seat
- *In production or development with several customers, including GM, Volkswagen, Audi, Mercedes, PSA, BMW and another high performance sports car*

Elastomer Growth

- *Highly engineered noise, vibration and harshness solutions*
- *Continued growth in commercial vehicle market*
- *Integration of EC and RC capabilities; exhaust isolators*

Significant Growth Opportunities in BRIC+T Markets

Well-positioned with manufacturing and engineering facilities to capture growth



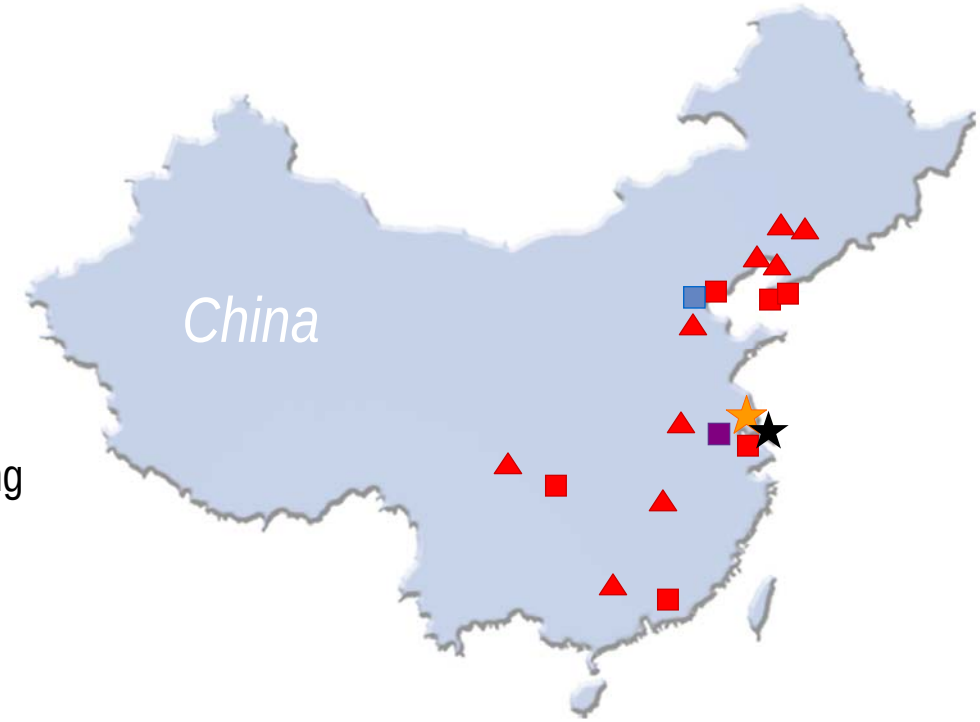
CAGR: Projected 5-year Compounded Average Growth Rate through 2015 for industry light vehicle production in the applicable country

Source: IHS Automotive, January 2011

China Growth

Tenneco serves global OEMs as well as domestic manufacturers in China

- *Emission Control*
  - Six majority-owned JVs, including recently announced JV with FAW Sihuan for commercial and light vehicles
  - New wholly-owned emission control manufacturing in Guangzhou
  - Advanced emission control engineering center in Shanghai



- *Ride Control*
  - One majority-owned JV production facility in Beijing
  - Wholly-owned elastomer production facility for domestic and export business

Five new or expanded plants within the last year

Enhancing Customer Mix

Expanding Global Presence with Japanese and Korean OEMs

- *Japanese OEMs are 10% of global OE revenues in 2010, 13% of NA OE revenues*
- *Won nearly $400 million in annualized business with Japanese OEMs over the last four years*
  - $139 million of which is in BRIC+T markets
  - Launching through 2013

Diversifying Customer Mix

Global Aftermarket

Tenneco Strengths

- Strong global brands
- Premium products
- Distribution capabilities

Growth

- Maintaining premium brand position and growing market share with core products
- Expanding core product offerings
- Leveraging brands and distribution for non-core product lines – brake pads, steering and suspension
- BRIC+T markets

Excellent Profitability and Cash Generation

Tenneco Manufacturing System (T.M.S.)

- *T.M.S. improves manufacturing productivity in areas such as quality, process efficiency, inventory levels and safety*
- *Standardized processes are key to our success*
  - With global platforms, customers expect common processes and performance across global regions – same results every time
- *Established T.M.S. university plants in U.S. and Europe*
  - Smithville, TN (EC)
  - Valencia, Spain (EC)
  - Kettering, OH (RC)
  - Gliwice, Poland (RC)
- *In process of rolling out university plants to global regions*
  - Dalian, China (EC)
  - Adelaide, Australia (EC)
  - Mogi Mirim, Brazil (RC)
  - Bawal, India (RC)
- *Over past two years trained all plant managers and more than 450 key employees*
  - Further developing the management support structure
  - Creating sustainability in applying our Lean tools

TMS™

$50 million – Process Excellence savings in 2010 (Lean and Six Sigma)

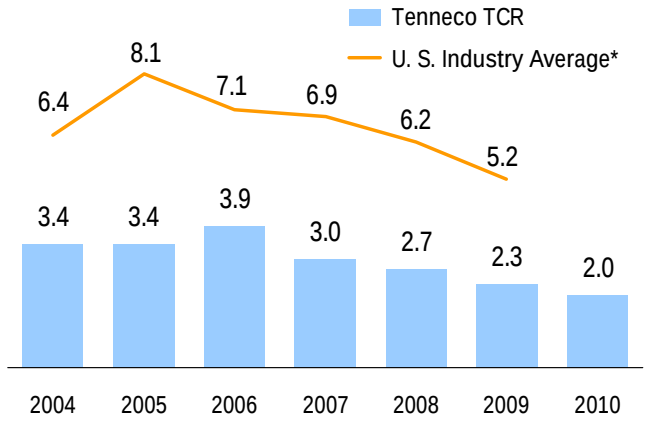
Driving Consistency Across Global Operations

Continuous Improvements in Safety and Quality

- *Safety*
  - Safety is our key priority globally
  - Total Case Rate (TCR) measures the number of injuries per 100 workers in a year
  - Focus results in benchmarkable performance
  - Renewed focus on Behavioral Safety Initiative

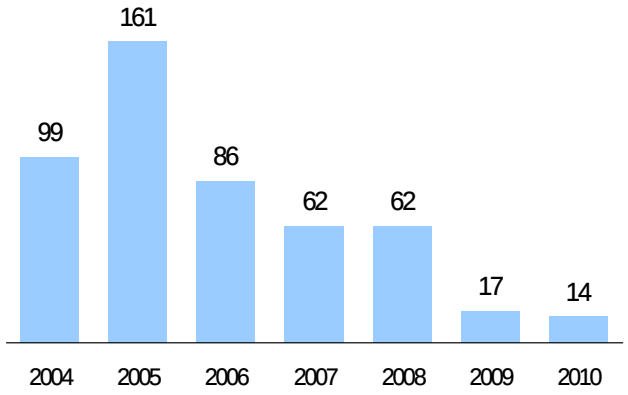
- *Quality*
  - PPM measures the number of defective Parts Per Million shipped to a customer
  - Progress attributed to Business Operating System, linked tightly to the Tenneco Manufacturing System, Six Sigma, Lean tools
  - Drivers include standard processes, design improvements, mistake proofing, supplier management

Global Total Case Rate



* Source: U.S. Bureau of Labor Statistics, NAICS code 3363 – motor vehicle parts manufacturing. 2010 data not yet available.

Global Customer PPM



Tenneco Highlights

- *Advanced technology leadership*
- *Strong operational capabilities*
- *Well-positioned for emission control technology-driven growth*
  - Content growth in established markets
  - Market share growth in adjacent markets – on- and off-road commercial vehicle, locomotive
  - Geographic growth in expanding markets with environmental mandates
- *Sound business model with geographic, customer, end-market, product and platform diversification*
  - Leading Tier 1 OE supplier positioned on top selling platforms
  - No. 1 aftermarket supplier driven by leading brands
- *Demonstrated commitment to balance sheet strength and financial stability*
- *Experienced management team*


TENNECO

Financial Results Disclaimer

- *Use of Non-GAAP Financial Information*

  In addition to the results reported in accordance with accounting principles generally accepted in the United States (“GAAP”) included in this presentation, the company has provided information regarding certain non-GAAP financial measures. These measures include Earnings Before Interest Expense, Income Taxes, Noncontrolling Interests and Depreciation and Amortization (“EBITDA*”), Adjusted EBITDA*, Adjusted Earnings Before Interest Expense, Income Taxes and Noncontrolling Interests (“Adjusted EBIT”), Adjusted Net Income and Adjusted Earnings Per Share.

  Reconciliations of these non-GAAP financial measures to the comparable GAAP measure are included in this presentation.

  * Including noncontrolling interests.

Reconciliation of Non-GAAP Results

EBITDA* ($ Millions)

	2Q 11	2Q 10
Net income attributable to Tenneco Inc.	$50	$40
Net income attributable to noncontrolling interests	7	6
Net income	57	46
Income tax expense	30	15
Interest expense (net of interest capitalized)	26	32
EBIT, earnings before interest expense, income taxes and noncontrolling interests (GAAP measure)	113	93
Depreciation & amortization of other intangibles	54	53
Total EBITDA*	$ 167	$ 146

EBITDA* represents earnings before interest expense, income taxes, noncontrolling interests and depreciation and amortization. EBITDA* is not a calculation based upon generally accepted accounting principles. The amounts included in the EBITDA* calculation, however, are derived from amounts included in the historical statements of income. In addition, EBITDA* should not be considered as an alternative to net income (loss) attributable to Tenneco Inc. or operating income as an indicator of the company's operating performance, or as an alternative to operating cash flows as a measure of liquidity. Tenneco has presented EBITDA* because it regularly reviews EBITDA* as a measure of the company's performance. In addition, Tenneco believes that its security holders utilize and analyze its EBITDA* for similar purposes. Tenneco also believes EBITDA* assists investors in comparing a company's performance on a consistent basis without regard to depreciation and amortization, which can vary significantly depending upon many factors. However, the EBITDA* measure presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

* Including noncontrolling interests.

Financial Accomplishments – Reconciliation of Non-GAAP Results

$ Millions, Unaudited

	EBITDA*		EBIT		Net Income Attributable to Tenneco Inc.		EPS	
	2Q 11	2Q 10	2Q 11	2Q 10	2Q 11	2Q 10	2Q 11	2Q 10
Financial measures	$167	$146	$113	$93	$50	$40	$0.81	$0.66
Adjustments (reflect non-GAAP(1) measures):								
Restructuring and related expenses	2	3	2	4	1	3	0.02	0.04
Costs related to refinancing	-	-	-	-	-	1	-	0.02
Net tax adjustments	-	-	-	-	(1)	(6)	(0.02)	(0.10)
Non-GAAP financial measures(2)	$169	$149	$115	$97	$50	$38	$0.81	$0.62

(1) Generally Accepted Accounting Principles

(2) Tenneco presents the above reconciliation of GAAP to non-GAAP earnings measures primarily to reflect the results of the second quarter 2011 and 2010 in a manner that allows a better understanding of the results of operational activities separate from the financial impact of decisions made for the long-term benefit of the company. Adjustments similar to the ones reflected above have been recorded in earlier periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Using only the non-GAAP earnings measures to analyze earnings would have material limitations because its calculation is based on the subjective determinations of management regarding the nature and classification of events and circumstances that investors may find material. Management compensates for these limitations by utilizing both GAAP and non-GAAP earnings measures reflected above to understand and analyze the results of the business.

* Including noncontrolling interests.

Reconciliation of Non-GAAP Results

EBITDA* ($ Millions)

	FY 10	FY 09
Net income (loss) attributable to Tenneco Inc.	$ 39	$ (73)
Net income attributable to noncontrolling interests	24	19
Net income (loss)	63	(54)
Income tax expense	69	13
Interest expense (net of interest capitalized)	149	133
EBIT, earnings before interest expense, income taxes and noncontrolling interests (GAAP measure)	281	92
Depreciation & amortization of other intangibles	216	221
Total EBITDA*	$ 497	$ 313

EBITDA* represents earnings before interest expense, income taxes, noncontrolling interests and depreciation and amortization. EBITDA* is not a calculation based upon generally accepted accounting principles. The amounts included in the EBITDA* calculation, however, are derived from amounts included in the historical statements of income. In addition, EBITDA* should not be considered as an alternative to net income (loss) attributable to Tenneco Inc. or operating income as an indicator of the company's operating performance, or as an alternative to operating cash flows as a measure of liquidity. Tenneco has presented EBITDA* because it regularly reviews EBITDA* as a measure of the company's performance. In addition, Tenneco believes that its security holders utilize and analyze its EBITDA* for similar purposes. Tenneco also believes EBITDA* assists investors in comparing a company's performance on a consistent basis without regard to depreciation and amortization, which can vary significantly depending upon many factors. However, the EBITDA* measure presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

* Including noncontrolling interests.

Financial Accomplishments – Reconciliation of Non-GAAP Results

$ Millions, Unaudited

	EBITDA*		EBIT		Net Income (Loss) Attributable to Tenneco Inc.		EPS	
	FY 10	FY 09	FY 10	FY 09	FY 10	FY 09	FY 10	FY 09
Financial measures	$497	$313	$281	$92	$39	$(73)	$0.63	$(1.50)
Adjustments (reflect non-GAAP[(1)] measures):								
Restructuring and related expenses	14	17	19	21	12	14	0.20	0.27
Pension charges	6	-	6	-	4	-	0.07	-
Costs related to refinancing	-	-	-	-	18	-	0.29	-
Environmental reserve	-	5	-	5	-	3	-	0.07
Tax adjustments	-	-	-	-	23	27	0.38	0.57
Non-GAAP financial measures[(2)]	$517	$335	$306	$118	$96	$(29)	$1.57	$(0.59)

(1) Generally Accepted Accounting Principles

(2) Tenneco presents the above reconciliation of GAAP to non-GAAP earnings measures primarily to reflect the results of 2010 and 2009 in a manner that allows a better understanding of the results of operational activities separate from the financial impact of decisions made for the long-term benefit of the company. Adjustments similar to the ones reflected above have been recorded in earlier periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Using only the non-GAAP earnings measures to analyze earnings would have material limitations because its calculation is based on the subjective determinations of management regarding the nature and classification of events and circumstances that investors may find material. Management compensates for these limitations by utilizing both GAAP and non-GAAP earnings measures reflected above to understand and analyze the results of the business.

* Including noncontrolling interests.