

TENNECO AUTOMOTIVE INC. AND CONSOLIDATED SUBSIDIARIES
 STATEMENTS OF INCOME (LOSS)
 (Unaudited)
 THREE MONTHS ENDED MARCH 31,
 (Millions except share and per share amounts)

	<u>2004</u>	<u>2003</u>
Net sales and operating revenues	<u>\$ 1,034</u> (a)	<u>\$ 921</u>
Costs and Expenses		
Cost of Sales (exclusive of depreciation shown below)	830 (b)	743 (d)
Engineering, Research and Development	17	19
Selling, General and Administrative	109 (a) (b) (c)	88
Depreciation and Amortization of Other Intangibles	<u>45</u>	<u>39</u>
Total Costs and Expenses	<u>1,001</u>	<u>889</u>
Other Income (Loss)	-	(1)
Income (Loss) before Interest Expense, Income Taxes, and Minority Interest		
North America	30 (a) (b) (c)	28 (d)
Europe	(3) (b) (c)	(1) (d)
Other	<u>6</u> (c)	<u>4</u>
	33	31
Less:		
Interest expense (net of interest capitalized)	35	31
Income tax expense (benefit)	(1)	(2) (e)
Minority interest	<u>1</u>	<u>1</u>
Net income (loss)	<u>\$ (2)</u>	<u>\$ 1</u>
Average common shares outstanding:		
Basic	<u>40.9</u>	<u>40.1</u>
Diluted	<u>43.5</u>	<u>40.9</u>
Earnings (loss) per share of common stock:		
Basic	<u>\$ (0.05)</u>	<u>\$ 0.02</u>
Diluted	<u>\$ (0.05)</u>	<u>\$ 0.02</u>

(a) Includes changeover costs for a new aftermarket customer of \$6 million pre-tax, \$3 million after-tax or \$0.08 per share. Of the adjustment \$4 million is recorded in Sales and \$2 million is recorded in SG&A. Geographically all of the charge is recorded in North America.

(b) Includes restructuring and restructuring related charges of \$5 million pre-tax, \$3 million after tax or \$0.07 per share. Of the adjustment \$2 million is recorded in SG&A and the remaining \$3 million is in cost of sales. Geographically, \$2 million is recorded in North America and \$3 million in Europe.

(c) Consulting fees indexed to stock price of \$3 million pre-tax, \$2 million after-tax or \$0.05 per share. The entire charge is recorded in SG&A. Geographically \$1 million of the charge is recorded in North America, Europe and Other respectively.

(d) Includes restructuring related charges of \$5 million pre-tax, \$2 million after-tax or \$0.07 per share. The entire charge is recorded in cost of sales. Geographically, \$3 million is recorded in North America and \$2 million in Europe.

(e) Includes a \$3 million or \$0.08 per share tax benefit related to the resolution of outstanding tax issues.