

**Tenneco Inc. and Consolidated Subsidiaries**  
**Statements of Cash Flows**  
**(Unaudited)**  
(Millions)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2009</b>	<b>2008</b>
Operating activities:		
Net income (loss)	\$ (47)	\$ 9
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities -		
Depreciation and amortization of other intangibles	52	55
Stock-based compensation	2	3
Deferred income taxes	1	(5)
Loss on sale of assets	2	2
Changes in components of working capital-		
(Inc.)/dec. in receivables	(54)	(87)
(Inc.)/dec. in inventories	34	(43)
(Inc.)/dec. in prepayments and other current assets	(1)	(17)
Inc./(dec.) in payables	(74)	23
Inc./(dec.) in taxes accrued	(3)	(1)
Inc./(dec.) in interest accrued	10	9
Inc./(dec.) in other current liabilities	(3)	(11)
Changes in long-term assets	2	(5)
Changes in long-term liabilities	(5)	3
Other	3	1
Net cash used by operating activities	<u>(81)</u>	<u>(64)</u>
Investing activities:		
Proceeds from sale of assets	2	1
Cash payments for plant, property & equipment	(36)	(63)
Cash payments for software-related intangibles	(2)	(5)
Acquisition of business, net of cash acquired	1	-
Net cash used by investing activities	<u>(35)</u>	<u>(67)</u>
Financing activities:		
Issuance of common shares	-	1
Issuance of long-term debt	2	-
Debt issuance costs on long-term debt	(8)	-
Retirement of long-term debt	(1)	(3)
Net inc./(dec.) in bank overdrafts	(13)	(3)
Net inc./(dec.) in revolver borrowings and short-term debt excluding current maturities on long-term debt	137	91
Distribution to noncontrolling interest partners	-	(2)
Net cash provided by financing activities	<u>117</u>	<u>84</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(14)</u>	<u>20</u>
Decrease in cash and cash equivalents	(13)	(27)
Cash and cash equivalents, January 1	126	188
Cash and cash equivalents, March 31	<u>\$ 113</u>	<u>\$ 161</u>
Cash paid during the period for interest	\$ 22	\$ 22
Cash paid during the period for income taxes (net of refunds)	4	12
Non-cash Investing and Financing Activities		
Period ended balance of payables for plant, property, and equipment	\$ 17	\$ 29