

TENNECO INC.
RECONCILIATION OF GAAP ⁽¹⁾ REVENUE AND EARNINGS TO NON-GAAP REVENUE AND EARNINGS MEASURES ⁽²⁾
Unaudited
(Millions except percents)

ATTACHMENT 2

	Q1 2013									
	Clean Air Division				Ride Performance Division				Other	Total
	North America	Europe, SA & India	Asia Pacific	Total	North America	Europe, SA & India	Asia Pacific	Total		
Net sales and operating revenues	\$ 646	\$ 467	\$ 183	\$ 1,296	\$ 307	\$ 252	\$ 48	\$ 607	\$ -	\$ 1,903
Less: Substrate sales	260	169	25	454	-	-	-	-	-	454
Value-add revenues	<u>\$ 386</u>	<u>\$ 298</u>	<u>\$ 158</u>	<u>\$ 842</u>	<u>\$ 307</u>	<u>\$ 252</u>	<u>\$ 48</u>	<u>\$ 607</u>	<u>\$ -</u>	<u>\$ 1,449</u>
EBIT	\$ 49	\$ 11	\$ 15	\$ 75	\$ 25	\$ 10	\$ 4	\$ 39	\$ (21)	\$ 93
EBIT as a % of revenue	7.6%	2.4%	8.2%	5.8%	8.1%	4.0%	8.3%	6.4%		4.9%
EBIT as a % of value-add revenue	12.7%	3.7%	9.5%	8.9%	8.1%	4.0%	8.3%	6.4%		6.4%
Adjusted EBIT	\$ 49	\$ 12	\$ 17	\$ 78	\$ 25	\$ 11	\$ 4	\$ 40	\$ (21)	\$ 97
Adjusted EBIT as a % of revenue	7.6%	2.6%	9.3%	6.0%	8.1%	4.4%	8.3%	6.6%		5.1%
Adjusted EBIT as a % of value-add revenue	12.7%	4.0%	10.8%	9.3%	8.1%	4.4%	8.3%	6.6%		6.7%

	Q1 2012									
	Clean Air Division				Ride Performance Division				Other	Total
	North America	Europe, SA & India	Asia Pacific	Total	North America	Europe, SA & India	Asia Pacific	Total		
Net sales and operating revenues	\$ 669	\$ 460	\$ 156	\$ 1,285	\$ 317	\$ 272	\$ 38	\$ 627	\$ -	\$ 1,912
Less: Substrate sales	277	153	26	456	-	-	-	-	-	456
Value-add revenues	<u>\$ 392</u>	<u>\$ 307</u>	<u>\$ 130</u>	<u>\$ 829</u>	<u>\$ 317</u>	<u>\$ 272</u>	<u>\$ 38</u>	<u>\$ 627</u>	<u>\$ -</u>	<u>\$ 1,456</u>
EBIT	\$ 48	\$ 16	\$ 12	\$ 76	\$ 35	\$ 10	\$ (2)	\$ 43	\$ (23)	\$ 96
EBIT as a % of revenue	7.2%	3.5%	7.7%	5.9%	11.0%	3.7%	-5.3%	6.9%		5.0%
EBIT as a % of value-add revenue	12.2%	5.2%	9.2%	9.2%	11.0%	3.7%	-5.3%	6.9%		6.6%
Adjusted EBIT	\$ 48	\$ 16	\$ 12	\$ 76	\$ 35	\$ 11	\$ (2)	\$ 44	\$ (23)	\$ 97
Adjusted EBIT as a % of revenue	7.2%	3.5%	7.7%	5.9%	11.0%	4.0%	-5.3%	7.0%		5.1%
Adjusted EBIT as a % of value-add revenue	12.2%	5.2%	9.2%	9.2%	11.0%	4.0%	-5.3%	7.0%		6.7%

⁽¹⁾ Generally Accepted Accounting Principles

⁽²⁾ Tenneco presents the above reconciliation of revenues in order to reflect EBIT as a percent of both total revenues and value-add revenues. Substrate sales include precious metals pricing, which may be volatile. Substrate sales occur when, at the direction of its OE customers, Tenneco purchases catalytic converters or components thereof from suppliers, uses them in its manufacturing processes and sells them as part of the completed system. While Tenneco original equipment customers assume the risk of this volatility, it impacts reported revenue. Excluding substrate sales removes this impact. Further, presenting EBIT as a percent of value-add revenue assists investors in evaluating our company's operational performance without the impact of such substrate sales.