

TENNECO AUTOMOTIVE  
RECONCILIATION OF GAAP<sup>(1)</sup> NET INCOME TO EBITDA  
Unaudited

	YTD 2004			
	North America	Europe	Rest of World	Total
Net income	\$ -	\$ -	\$ -	\$ 28
Minority interest	-	-	-	3
Income tax expense (benefit)	-	-	-	9
Interest expense (net of interest capitalized)	-	-	-	69
EBIT, Income before interest expense, income taxes and minority interest (GAAP measure)	80	11	18	109
Depreciation and amortization of other intangibles	48	33	8	89
Total EBITDA <sup>(2)</sup>	<u>\$ 128</u>	<u>\$ 44</u>	<u>\$ 26</u>	<u>\$ 198</u>

  

	YTD 2003			
	North America	Europe	Rest of World	Total
Net income	\$ -	\$ -	\$ -	\$ 25
Minority interest	-	-	-	3
Income tax expense (benefit)	-	-	-	1
Interest expense (net of interest capitalized)	-	-	-	69
EBIT, Income before interest expense, income taxes and minority interest (GAAP measure)	77	10	11	98
Depreciation and amortization	46	28	6	80
Total EBITDA	<u>\$ 123</u>	<u>\$ 38</u>	<u>\$ 17</u>	<u>\$ 178</u>

<sup>(1)</sup> Generally Accepted Accounting Principles

<sup>(2)</sup> EBITDA represents income before interest expense, income taxes, minority interest 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 data. In addition, EBITDA should not be considered as an alternative to net income 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 Automotive has presented EBITDA because it regularly reviews EBITDA as a measure of the company's performance. In addition, Tenneco Automotive believes its debt holders utilize and analyze our EBITDA for similar purposes. Tenneco Automotive 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.