

TENNECO INC.
RECONCILIATION OF NON-GAAP MEASURES
SGA&E as Percent of Sales - LTM

| | <u>Q3 05</u> | <u>Q4 05</u> | <u>Q1 06</u> | <u>Q2 06</u> | <u>Q2 06 LTM</u> |
|--|--------------|--------------|--------------|--------------|---------------------|
| Revenues | 1,096 | 1,064 | 1,132 | 1,222 | 4,514 |
| Engineering, research, and development | 22 | 19 | 22 | 22 | 85 |
| Selling, general, and administrative | <u>96</u> | <u>98</u> | <u>101</u> | <u>107</u> | <u>402</u> |
| Total SGA&E | 118 | 117 | 123 | 129 | 487 |
| SGA&E as Percent of Sales | | | | | <u><u>10.8%</u></u> |

| | <u>Q3 04</u> | <u>Q4 04</u> | <u>Q1 05</u> | <u>Q2 05</u> | <u>Q2 05 LTM</u> |
|--|--------------|--------------|--------------|--------------|---------------------|
| Revenues | 996 | 1,071 | 1,101 | 1,180 | 4,348 |
| Engineering, research, and development | 20 | 20 | 24 | 18 | 82 |
| Selling, general, and administrative | <u>93</u> | <u>115</u> | <u>98</u> | <u>93</u> | <u>399</u> |
| Total SGA&E | 113 | 135 | 122 | 111 | 481 |
| SGA&E as Percent of Sales | | | | | <u><u>11.1%</u></u> |

Tenneco presents the above reconciliation of the last twelve months (LTM) of selling, general, administrative and engineering (SGA&E) expenses as a percentage of revenues to provide information investors may find useful in measuring the company's progress toward its goals to lower selected operating expenses supported by existing revenues. LTM values are used to highlight annual trends and remove seasonal fluctuations. This reconciliation is provided as supplemental information and not as a replacement for any other financial ratios that investors may find useful for measuring the company's operating performance.