

TENNECO INC. AND CONSOLIDATED SUBSIDIARIES  
BALANCE SHEETS  
(Unaudited)  
(Millions)

	June 30, 2007		12/31/2006 <sup>(1)</sup>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 168		\$ 202
Receivables, Net	913 (a)		592 (a)
Inventories	523		441
Other Current Assets	209		176
Investments and Other Assets	773		753
Plant, Property, and Equipment, Net	1,104		1,093
Total Assets	\$ 3,690		\$ 3,257
<b>Liabilities and Shareholders' Equity</b>			
Short-Term Debt	\$ 31		\$ 28
Accounts Payable	1,049		782
Accrued Taxes	49		49
Accrued Interest	30		33
Other Current Liabilities	247		237
Long-Term Debt	1,419 (b)		1,356 (b)
Deferred Income Taxes	122		107
Deferred Credits and Other Liabilities	402		424
Minority Interest	32		28
Total Shareholders' Equity	309		213
Total Liabilities and Shareholders' Equity	\$ 3,690		\$ 3,257
	June 30, 2007		December 31, 2006
(a) Accounts receivable securitization programs	\$ 148		\$ 133
(b) Long term debt composed of:			
	June 30, 2007		December 31, 2006
Borrowings against revolving credit facilities	\$ 272		\$ -
Term loan A (Due 2012)	150		-
Term loan B (Due 2010)	-		356
10.25% senior notes (Due 2013)	487		487
8.625% subordinated notes (Due 2014)	500		500
Other long term debt	10		13
	\$ 1,419		\$ 1,356

<sup>(1)</sup> As disclosed in Tenneco's July 23, 2007 press release, Tenneco is restating its financial results for the years ended December 31, 2004, 2005 and 2006 and for the quarters ended March 31, 2006 and 2007, June 30, 2006 and September 30, 2006. The amounts presented in this table reflect the preliminary results of the restatement.