

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

	Six Months Ended	
	June 30,	
	2009	2008
Operating activities:		
Net income (loss)	\$ (76)	\$ 24
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities -		
Depreciation and amortization of other intangibles	107	112
Stock-based compensation	4	5
Deferred income taxes	(3)	(18)
Loss on sale of assets	4	5
Changes in components of working capital-		
(Inc.)/dec. in receivables	(57)	(148)
(Inc.)/dec. in inventories	67	(47)
(Inc.)/dec. in prepayments and other current assets	(5)	(39)
Inc./(dec.) in payables	(36)	50
Inc./(dec.) in taxes accrued	19	25
Inc./(dec.) in interest accrued	1	(1)
Inc./(dec.) in other current liabilities	(5)	16
Changes in long-term assets	6	9
Changes in long-term liabilities	1	5
Other	4	(4)
Net cash provided (used) by operating activities	<u>31</u>	<u>(6)</u>
Investing activities:		
Proceeds from sale of assets	2	2
Cash payments for plant, property & equipment	(66)	(127)
Cash payments for software-related intangibles	(4)	(8)
Acquisition of business, net of cash acquired	1	(19)
Net cash used by investing activities	<u>(67)</u>	<u>(152)</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	(8)	(3)
Net inc./(dec.) in bank overdrafts	(24)	-
Net inc./(dec.) in revolver borrowings and short-term debt excluding current maturities on long-term debt	75	121
Distribution to noncontrolling interest partners	(10)	(4)
Net cash provided by financing activities	<u>27</u>	<u>115</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(6)</u>	<u>19</u>
Decrease in cash and cash equivalents	(15)	(24)
Cash and cash equivalents, January 1	126	188
Cash and cash equivalents, June 30	<u>\$ 111</u>	<u>\$ 164</u>
Cash paid during the period for interest	\$ 65	\$ 61
Cash paid during the period for income taxes (net of refunds)	12	24
Non-cash Investing and Financing Activities		
Period ended balance of payables for plant, property, and equipment	\$ 11	\$ 22