

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

ATTACHMENT 2

Unaudited
(Millions except percents)

	YTD 2013									
	Clean Air Division				Ride Performance Division					
	North America	Europe, SA & India	Asia Pacific	Total	North America	Europe, SA & India	Asia Pacific	Total	Other	Total
Net sales and operating revenues	\$ 1,333	\$ 983	\$ 386	\$ 2,702	\$ 631	\$ 533	\$ 104	\$ 1,268	\$ -	\$ 3,970
Less: Substrate sales	532	353	57	942	-	-	-	-	-	942
Value-add revenues	<u>\$ 801</u>	<u>\$ 630</u>	<u>\$ 329</u>	<u>\$ 1,760</u>	<u>\$ 631</u>	<u>\$ 533</u>	<u>\$ 104</u>	<u>\$ 1,268</u>	<u>\$ -</u>	<u>\$ 3,028</u>
EBIT	\$ 117	\$ 29	\$ 36	\$ 182	\$ 61	\$ 24	\$ 10	\$ 95	\$ (43)	\$ 234
EBIT as a % of revenue	8.8%	3.0%	9.3%	6.7%	9.7%	4.5%	9.6%	7.5%		5.9%
EBIT as a % of value-add revenue	14.6%	4.6%	10.9%	10.3%	9.7%	4.5%	9.6%	7.5%		7.7%
Adjusted EBIT	\$ 117	\$ 33	\$ 38	\$ 188	\$ 61	\$ 26	\$ 11	\$ 98	\$ (41)	\$ 245
Adjusted EBIT as a % of revenue	8.8%	3.4%	9.8%	7.0%	9.7%	4.9%	10.6%	7.7%		6.2%
Adjusted EBIT as a % of value-add revenue	14.6%	5.2%	11.6%	10.7%	9.7%	4.9%	10.6%	7.7%		8.1%

	YTD 2012									
	Clean Air Division				Ride Performance Division					
	North America	Europe, SA & India	Asia Pacific	Total	North America	Europe, SA & India	Asia Pacific	Total	Other	Total
Net sales and operating revenues	\$ 1,340	\$ 894	\$ 325	\$ 2,559	\$ 642	\$ 548	\$ 83	\$ 1,273	\$ -	\$ 3,832
Less: Substrate sales	546	290	49	885	-	-	-	-	-	885
Value-add revenues	<u>\$ 794</u>	<u>\$ 604</u>	<u>\$ 276</u>	<u>\$ 1,674</u>	<u>\$ 642</u>	<u>\$ 548</u>	<u>\$ 83</u>	<u>\$ 1,273</u>	<u>\$ -</u>	<u>\$ 2,947</u>
EBIT	\$ 105	\$ 36	\$ 30	\$ 171	\$ 72	\$ 26	\$ -	\$ 98	\$ (36)	\$ 233
EBIT as a % of revenue	7.8%	4.0%	9.2%	6.7%	11.2%	4.7%	0.0%	7.7%		6.1%
EBIT as a % of value-add revenue	13.2%	6.0%	10.9%	10.2%	11.2%	4.7%	0.0%	7.7%		7.9%
Adjusted EBIT	\$ 105	\$ 37	\$ 30	\$ 172	\$ 72	\$ 28	\$ -	\$ 100	\$ (36)	\$ 236
Adjusted EBIT as a % of revenue	7.8%	4.1%	9.2%	6.7%	11.2%	5.1%	0.0%	7.9%		6.2%
Adjusted EBIT as a % of value-add revenue	13.2%	6.1%	10.9%	10.3%	11.2%	5.1%	0.0%	7.9%		8.0%

⁽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.