ATTACHMENT 1

TENNECO INC. AND CONSOLIDATED SUBSIDIARIES
STATEMENTS OF INCOME (LOSS)
Unaudited
THREE MONTHS ENDED SEPTEMBER 30,
(Millions except per share amounts)

	2010		2009	
Net sales and operating revenues	$ 1,542		$ 1,254	
Costs and expenses				
Cost of sales (exclusive of depreciation shown below)	1,280	(a)	1,043	(f)
Engineering, research and development	30		27	
Selling, general and administrative	109	(b)	90	
Depreciation and amortization of other intangibles	55	(a)	55	
Total costs and expenses	1,474		1,215	
Loss on sale of receivables	(1)	(e)	(2)	
Other income (expense)	-		(2)	
Total other income (expense)	(1)		(4)	
Income before interest expense, income taxes, and noncontrolling ownership interests				
North America	42	(a) (b)	17	(f)
Europe, South America & India	15		10	
Asia Pacific	10	(a)	8	
	67		35	
Less:				
Interest expense (net of interest capitalized)	36	(c) (e)	35	
Income tax expense	15	(d)	4	(g)
Net income (loss)	16		(4)	
Less: Net income attributable to noncontrolling interests	6		4	
Net income (loss) attributable to Tenneco Inc.	$ 10		$ (8)	
Average common shares outstanding:				
Basic	59.2		46.7	
Diluted	61.1		46.7	
Earnings (Loss) per share of common stock:				
Basic	$ 0.17		$ (0.17)	
Diluted	$ 0.17		$ (0.17)	

(a) Includes restructuring and related charges of $6 million pre-tax, $4 million after tax or $0.06 per diluted share. Of the adjustment $3 million is recorded in cost of sales and $3 million is recorded in depreciation. Geographically, $5 million is recorded in North America and $1 million in Asia Pacific.

(b) Includes a charge of $4 million pretax, $2 million after tax or $0.04 per diluted share related to an actuarial loss for a lump-sum pension payment.

(c) Includes pre-tax expenses of $5 million, $4 million after tax or $0.06 per share for costs related to refinancing activities.

(d) Includes non-cash tax charges of $4 million or $0.06 per diluted share primarily related to the impact of recording a valuation allowance against our tax benefit for losses in certain foreign jurisdictions.

(e) The adoption of the new accounting guidance in Accounting Standards Codification (ASC) 860, "Accounting for Transfers of Financial Assets, an amendment to FAS No. 140" in the first quarter 2010 requires Tenneco to account for its accounts receivable securitization program in North America as secured borrowings. As a result, this impacted the statements of income by decreasing the loss on sale of receivables and increasing interest expense by the same amount.

(f) Includes restructuring and related charges of $11 million pre-tax, $7 million after tax or $0.16 per diluted share, which is recorded in cost of sales in North America.

(g) Includes tax charges of $4 million or $0.08 per diluted share primarily related to the impact of recording a valuation allowance again the tax benefit for losses in the U.S. and certain foreign jurisdictions.