ATTACHMENT 1

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

	2010		2009	
Net sales and operating revenues	$ 4,360		$ 3,327	
Costs and expenses				
Cost of sales (exclusive of depreciation shown below)	3,575	(a)	2,783	(f)
Engineering, research and development	90		72	
Selling, general and administrative	307	(b)	256	(f)
Depreciation and amortization of other intangibles	163	(a)	162	(f)
Total costs and expenses	4,135		3,273	
Loss on sale of receivables	(3)	(d)	(6)	
Other income (expense)	(3)		(9)	(g)
Total other income (expense)	(6)		(15)	
Income before interest expense, income taxes, and noncontrolling ownership interests				
North America	128	(a) (b)	27	(f) (g)
Europe, South America & India	57	(a)	(1)	(f)
Asia Pacific	34	(a)	13	
	219		39	
Less:				
Interest expense (net of interest capitalized)	100	(c) (e)	101	
Income tax expense	45	(d)	18	(h)
Net income (loss)	74		(80)	
Less: Net income attributable to noncontrolling interests	17		10	
Net income (loss) attributable to Tenneco Inc.	$ 57		$ (90)	
Average common shares outstanding:				
Basic	59.1		46.7	
Diluted	60.9		46.7	
Earnings (Loss) per share of common stock:				
Basic	$ 0.97		$ (1.93)	
Diluted	$ 0.94		$ (1.93)	

(a) Includes restructuring and related charges of $15 million pre-tax, $10 million after tax or $0.16 per diluted share. Of the adjustment $10 million is recorded in cost of sales and $5 million is recorded in depreciation. Geographically, $12 million is recorded in North America, $2 million in Europe, South America and India 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 $6 million, $5 million after tax or $0.07 per share for costs related to refinancing activities.

(d) Includes income tax expense of $3 million or $0.06 per diluted share related to income generated in lower tax rate jurisdictions as well as adjustments to tax estimates partially offset by the impact of not benefiting from U.S. and foreign tax losses.

(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 $17 million pre-tax, $11 million after tax or $0.24 per diluted share. Of the adjustment $14 million is recorded in cost of sales, $1 million is recored in SG&A and $2 million is recorded in depreciation. Geographically, $14 million is recorded in North America and $3 million in Europe, South America and India.

(g) Includes charge of $5 million pre-tax, $3 million after tax or $0.07 per diluted share related to environmental liabilities of a company Tenneco acquired in 1996, at locations never operated by Tenneco, and for which that acquired company had been indemnified by Mark IV Industries, which declared bankruptcy in the second quarter 2009.

(h) Includes tax charges of $40 million or $0.86 per diluted share primarily related to the impact of recording a valuation allowance against the tax benefit for losses in the U.S. and certain foreign jurisdictions.