

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

	Three Months Ended	
	September 30,	
	2012	2011
Operating activities:		
Net income	\$ 132	\$ 36
Adjustments to reconcile net income to net cash provided by operating activities -		
Goodwill impairment charge	-	11
Depreciation and amortization of other intangibles	49	51
Stock-based compensation	2	2
Deferred income taxes	(87)	2
Loss on sale of assets	1	2
Changes in components of working capital-		
(Inc.)/dec. in receivables	55	(24)
(Inc.)/dec. in inventories	2	(25)
(Inc.)/dec. in prepayments and other current assets	(1)	6
Inc./(dec.) in payables	(50)	25
Inc./(dec.) in accrued taxes	19	(7)
Inc./(dec.) in accrued interest	5	9
Inc./(dec.) in other current liabilities	-	(2)
Changes in long-term assets	-	1
Changes in long-term liabilities	(13)	(10)
Other	4	3
Net cash provided by operating activities	<u>118</u>	<u>80</u>
Investing activities:		
Proceeds from sale of assets	1	-
Cash payments for plant, property & equipment	(70)	(50)
Cash payments for software-related intangible assets	(3)	(4)
Net cash used by investing activities	<u>(72)</u>	<u>(54)</u>
Financing activities:		
Purchase of common stock under the share repurchase program	-	(5)
Issuance of long-term debt	-	1
Retirement of long-term debt	(3)	-
Net inc./(dec.) in bank overdrafts	2	(5)
Net inc./(dec.) in revolver borrowings and short-term debt excluding current maturities on long-term debt and short-term borrowings secured by accounts receivable	(19)	20
Capital contribution from noncontrolling interest partner	4	-
Purchase of additional noncontrolling equity interest	-	(4)
Distribution to noncontrolling interest partners	(9)	(10)
Net cash used by financing activities	<u>(25)</u>	<u>(3)</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>5</u>	<u>(21)</u>
Increase in cash and cash equivalents	26	2
Cash and cash equivalents, July 1	181	161
Cash and cash equivalents, September 30	<u>\$ 207</u>	<u>\$ 163</u>
Supplemental Cash Flow Information		
Cash paid during the period for interest (net of interest capitalized)	\$ 16	\$ 18
Cash paid during the period for income taxes (net of refunds)	18	25
Non-cash Investing and Financing Activities		
Period ended balance of payables for plant, property, and equipment	\$ 25	\$ 23