

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

	Twelve Months Ended	
	December 31,	
	2009	2008
Operating activities:		
Net loss	\$ (54)	\$ (405)
Adjustments to reconcile net loss to net cash provided (used) by operating activities -		
Depreciation and amortization of other intangibles	221	222
Goodwill impairment charge	-	114
Stock-based compensation	7	10
Deferred income taxes	(24)	204
Loss on sale of assets	9	10
Changes in components of working capital-		
(Inc.)/dec. in receivables	(8)	126
(Inc.)/dec. in inventories	101	19
(Inc.)/dec. in prepayments and other current assets	(55)	1
Inc./(dec.) in payables	(2)	(181)
Inc./(dec.) in taxes accrued	10	4
Inc./(dec.) in interest accrued	(1)	-
Inc./(dec.) in other current liabilities	20	-
Changes in long-term assets	10	16
Changes in long-term liabilities	2	19
Other	5	1
Net cash provided by operating activities	<u>241</u>	<u>160</u>
Investing activities:		
Proceeds from sale of assets	5	3
Cash payments for plant, property & equipment	(120)	(233)
Cash payments for software-related intangibles	(6)	(15)
Acquisition of business, net of cash acquired	1	(16)
Investments and other	1	-
Net cash used by investing activities	<u>(119)</u>	<u>(261)</u>
Financing activities:		
Issuance of common shares	188	2
Issuance of long-term debt	6	1
Debt issuance costs on long-term debt	(8)	(2)
Retirement of long-term debt	(22)	(6)
Net inc./(dec.) in bank overdrafts	(23)	(1)
Net inc./(dec.) in revolver borrowings and short-term debt excluding current maturities on long-term debt	(218)	77
Distribution to noncontrolling interest partners	(10)	(13)
Net cash provided (used) by financing activities	<u>(87)</u>	<u>58</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>6</u>	<u>(19)</u>
Increase (Decrease) in cash and cash equivalents	41	(62)
Cash and cash equivalents, January 1	126	188
Cash and cash equivalents, December 31	<u>\$ 167</u>	<u>\$ 126</u>
Cash paid during the period for interest	\$ 131	\$ 117
Cash paid during the period for income taxes (net of refunds)	38	62
Non-cash Investing and Financing Activities		
Period ended balance of payables for plant, property, and equipment	\$ 26	\$ 28
Assumption of debt from business acquisition	-	10