



2016 Summary
Annual Report

Growth Through Technology

Our strong balance across products, geographic regions, applications, platforms and customers contributed to Tenneco's \$8.6 billion revenue in 2016.

PRODUCT LINES

71% Clean Air
29% Ride Performance

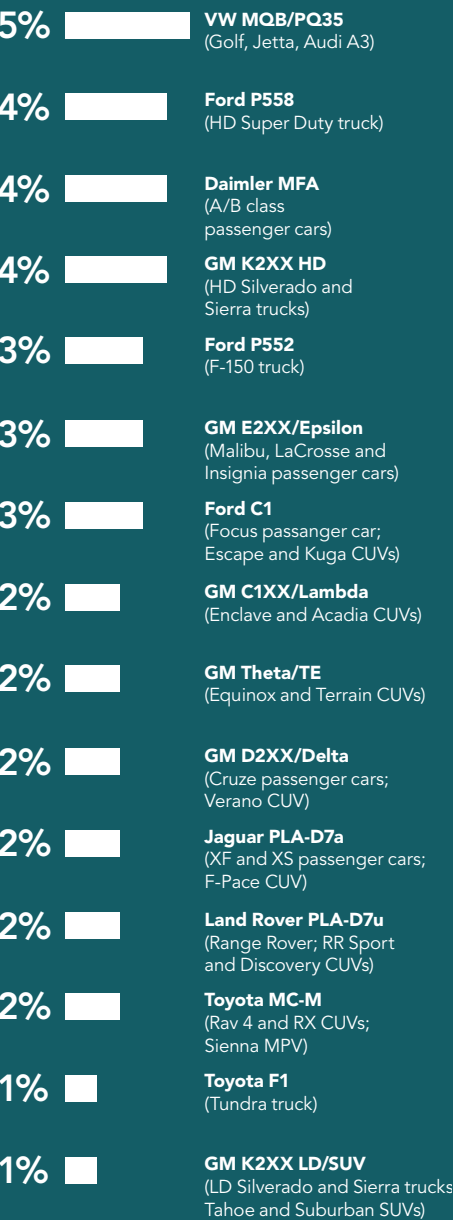
GEOGRAPHY

49% North America
35% Europe, South America and India
16% Asia Pacific

APPLICATIONS

75% OE Light Vehicle
14% Aftermarket
11% OE Commercial Truck, Off-Highway and Other

PLATFORMS (MODELS)



TOP 20 CUSTOMERS

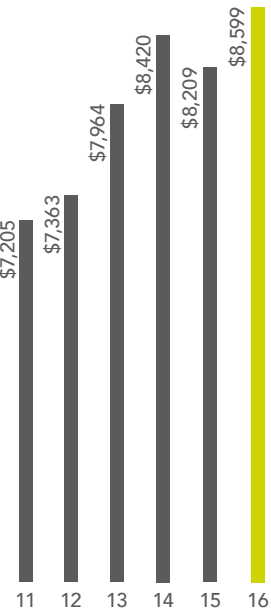
- 17% General Motors
- 13% Ford Motor Company
- 7% Volkswagen Group
- 6% Daimler AG
- 5% Fiat Chrysler Automobiles
- 4% Tata Motors
- 4% SAIC Motor
- 4% First Auto Works
- 4% Toyota Motor
- 2% Caterpillar
- 2% John Deere
- 2% Advance Auto Parts
- 2% Renault
- 2% BMW
- 2% National Auto Parts Association
- 1% Beijing Automotive
- 1% O’Reilly Auto Parts
- 1% Nissan Motor
- 1% Chang’an Automotive
- 1% Geely Automobile

FINANCIAL SUMMARY

FINANCIAL HIGHLIGHTS

(\$ in millions except share and per share data)	2011	2012	2013	2014	2015	2016
Net sales and operating revenues	\$7,205	\$7,363	\$7,964	\$8,420	\$8,209	\$8,599
Earnings before interest expense, taxes and noncontrolling interests (EBIT)	\$ 379	\$ 428	\$ 424	\$ 492	\$ 519	\$ 528
Depreciation and amortization	\$ 207	\$ 205	\$ 205	\$ 208	\$ 203	\$ 212
Net income attributed to Tenneco Inc.	\$ 157	\$ 275	\$ 183	\$ 226	\$ 247	\$ 363
Earnings per diluted share	\$ 2.55	\$ 4.50	\$ 2.97	\$ 3.66	\$ 4.11	\$ 6.44
Cash flow from operations	\$ 245	\$ 365	\$ 503	\$ 341	\$ 517	\$ 489
Capital expenditures	\$ 218	\$ 263	\$ 254	\$ 317	\$ 295	\$ 343
Average diluted shares outstanding	61,520,160	61,083,510	61,594,062	61,782,508	60,193,150	56,407,436
Total debt	\$1,224	\$1,180	\$1,102	\$1,115	\$1,210	\$1,384
Total cash	\$ 214	\$ 223	\$ 280	\$ 285	\$ 288	\$ 349
Debt net of cash balances ¹	\$1,010	\$ 957	\$ 822	\$ 830	\$ 922	\$1,035

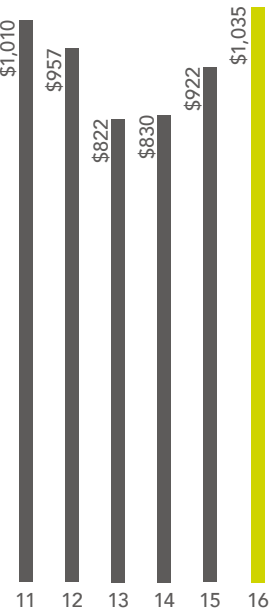
ANNUAL REVENUE
(\$ in millions)



MARGIN EXPANSION
Adjusted EBIT as % of value-add revenue²



NET DEBT
Debt net of cash balances¹
(\$ in millions)



1 We present debt net of cash balances because management believes it is a useful measure of our credit position. The calculation is limited in that we may not always be able to use cash to repay debt on a dollar-per-dollar basis.

2 See page 29 for reconciliations of Generally Accepted Accounting Principles (GAAP) to non-GAAP financial measures.

Why Tenneco? A global leader in Clean Air and Ride Performance products, Tenneco presents a unique investment opportunity with above-industry growth rates, expanding margins, and strong cash flow generation.

FREQUENTLY ASKED QUESTIONS

How are you maintaining your technology leadership amidst tightening regulations? As regulatory requirements evolve, Tenneco continuously strengthens its technology portfolio and global engineering capabilities to design and produce cost-competitive products to meet regulations anywhere in the world. From the expansion of manufacturing and engineering operations in Asia Pacific, to enhancing the company's Core Science team focused on advanced R&D, Tenneco has made significant investments in products and people to grow and strengthen its leading technology position.

How is electric vehicle and hybrid powertrain growth expected to impact your growth expectations? There is a lot of attention on electric vehicles and hybrid powertrains, however industry experts estimate that 96% of the light vehicles produced in 2030 will have ICEs, including various forms of hybrid vehicles, while only 4% of vehicles will be powered solely by battery electric

and fuel cell electric drivetrains. It is worth noting that there will be more ICE powertrains produced in 2030 than today even if BEV production is significantly higher than forecast. Additionally, ICEs in 2030 will have 25 to 30 percent more regulatory content than today as emissions requirements become more stringent. While we continue to monitor the EV market, we see strong growth opportunities ahead for our business.

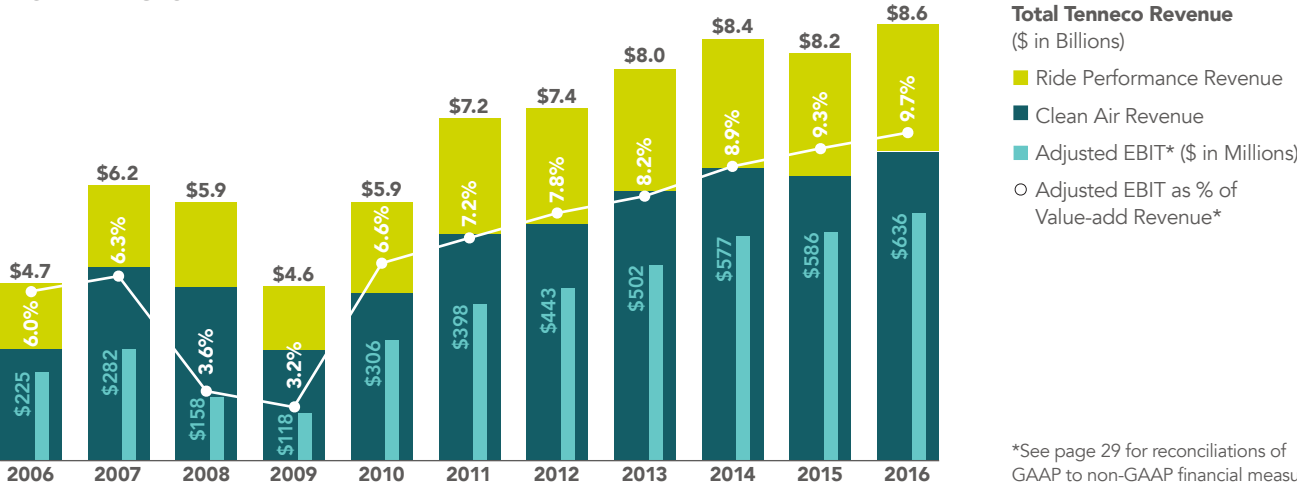
Can Tenneco benefit from autonomous driving and mobility trends? Our Monroe® Intelligent Suspension advanced technologies are well-positioned for autonomous driving trends that we expect will require suspensions with "high speed rail" smoothness. In addition, shared mobility trends and the resulting greater vehicle utilization will increase the need for replacement parts and is expected to be very positive for Tenneco's aftermarket business.

Is there an opportunity to grow the aftermarket? Tenneco has strong leading aftermarket positions in North America, Europe and South America.

We see significant opportunities in high growth markets such as China and India, and are investing to position ourselves as a leading aftermarket supplier in these regions. We are leveraging our expertise from mature markets to develop the right distributor base, drive brand recognition, and promote our experience as an OE-quality supplier.

Going forward, where is the biggest opportunity for margin expansion? Margin expansion will be driven by many factors, beginning with increasing technology content growth in both product lines, growth of the aftermarket globally and the expected commercial truck and off-highway market recovery. Further margin growth will also be driven by our efforts to achieve best delivered cost including 1) driving continuous improvement in our operational performance, 2) optimizing product component design and manufacturing process complexity and 3) improving the design of global manufacturing and supply chain networks.

PROFITABLE GROWTH



*See page 29 for reconciliations of GAAP to non-GAAP financial measures.

2016 marked another record year for Tenneco, as we again delivered top-line growth that outpaced the industry, higher earnings and improved profitability. Strong execution on our growth strategies, alignment across our company, and a focus on operations excellence drove Tenneco's outperformance.

Brian Kessler
Chief Operating Officer

Gregg Sherrill
Chairman and
Chief Executive Officer

Ken Trammell
Executive Vice President and
Chief Financial Officer



This strength puts Tenneco in an extraordinary position to lead and accelerate growth by meeting the global demands for cleaner air and a superior driving experience.

Our goal for 2016 was to extend our momentum from the previous year—and we did just that with both our Clean Air and Ride Performance product lines contributing to outstanding results. I am proud of our Tenneco team for delivering:

- › Our highest-ever annual revenue, exceeding industry production by three percentage points;
- › Strong earnings, with record-high reported and adjusted EBIT;
- › Highest-ever reported and adjusted net income and earnings per share; and,
- › Improved profitability with our seventh consecutive year of value-add adjusted EBIT margin expansion.

We have also set the stage for continued growth in 2017 and beyond, supported by the strength of our structural growth drivers and diversification across product lines, end-market applications, geographic regions, customers and platforms. This balance helps us manage cyclicalities while achieving consistent results and leveraging new opportunities for growth.

Global Platform Position

Tenneco has a strong position on light vehicle platforms globally, which helped us deliver excellent top-line growth in both Clean Air and Ride Performance. Light vehicle revenue accounted for 75

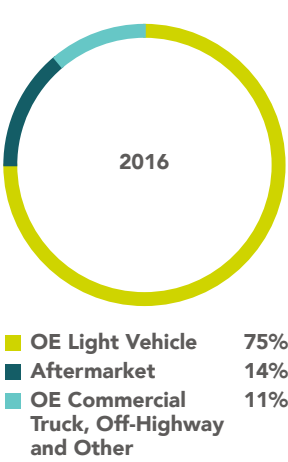
percent of our total revenue in 2016. We are on leading vehicle models in China; we have a strong position on light trucks in North America; and our largest platforms in Europe are top-selling nameplates. Our platform position drove a 10 percent year-over-year increase in light vehicle revenue on a constant currency basis, doubling industry production growth.

Global Emissions Regulations Driving Clean Air Content Growth

Criteria pollutant regulations around the world remain a powerful growth driver and our technology roadmap is aligned with the cadence of emissions requirements. With light vehicle, commercial truck and off-highway customers, Tenneco has aftertreatment solutions in place today that meet the evolving global landscape of regulatory requirements. In 2016, our commercial truck and off-highway Clean Air revenue was up two percent (constant currency) despite continuing weak industry conditions. This growth outpaced industry production as we continued to support Tier 4 Final and Stage 4 off-highway customer programs in North America and Europe, off-highway programs in Japan and a new medium duty truck platform in North America.

While 2016 was a relatively quiet regulatory year, new light vehicle requirements—Tier 3 Final in the U.S. and Euro 6c in Europe—will drive revenue growth in both regions, beginning in 2017. Emissions regulations will also continue driving our commercial truck and off-highway Clean Air revenues with new requirements in China and India coming into effect over the next two years.

PRODUCT APPLICATIONS



Increasing Demand for Advanced Suspension Technologies

The third growth driver is in our Ride Performance product line. As customers continue to look for ways to differentiate their vehicles through improved comfort, safety and stability, Tenneco’s Monroe Intelligent Suspension (MIS) systems are providing innovative solutions designed to meet these demands. During 2016, we supported MIS program launches with Volkswagen, Renault and Ford—and most notably, we launched electronic suspension business with our first Japanese OEM on the Infiniti Q50 and Q60 sedans. Our engineering teams continue to develop advanced suspension solutions as the demand for this technology on light vehicles is expected to grow by about 25 percent annually through 2025.

Global Aftermarket Leadership

Finally, our global aftermarket continued to grow with constant currency revenue up two percent in 2016. We have powerful aftermarket brands and 2016 marked the 100th year of our iconic Monroe® brand, with an enduring heritage of quality and customer service. This brand reputation enables us to build on our global success for years to come as we enter a period of tremendous growth potential for the aftermarket. In 2016, we continued to leverage our aftermarket experience in Europe and North America to boost Tenneco’s presence in the high-growth markets of China and India where we are successfully positioning Tenneco as a leading aftermarket supplier in these fast-growing regions.

Growth through Technology

Technology is—and will always be—at the core of everything we do and sets

us apart from our competitors. During 2016, we expanded our research and development center in Yokohama, Japan to demonstrate our commitment to our Japan-based customers and further strengthen our global engineering footprint. We also expanded our engineering center in Chakan, India, to provide state-of-the-art solutions for customers throughout the region as they work to achieve upcoming Bharat Stage VI emissions regulations. Our Clean Air Core Science team—a unique group of scientists representing various disciplines—continues to develop new technology project initiatives, many of which are already in testing and development with customers. In Ride Performance, in addition to our MIS systems we continue to lead with our ride tuning and vehicle dynamics capabilities; noise, vibration and harshness solutions; and with our systems integration expertise, all driving new product innovations and preparing Tenneco to capitalize on future vehicle trends.

Capitalizing on Growth with Operations Excellence

In 2016, we also continued the rollout of the Tenneco Business System (TBS) to standardize operations across global functions—including our nearly 100 manufacturing plants around the world. TBS sets the standard for how our team members come to work every day by providing a common business “language” and ways to measure performance across our business segments and regions. This will enable us to achieve greater efficiencies, and serve our customers with consistency, predictability and the best-delivered cost.

Future Growth and Capital Allocation

Driving organic growth is our foundation, and Tenneco is positioned well in 2017. We are also making the necessary investments to optimize our operations globally and continuously improve Tenneco’s cost competitiveness.

With our growth and profitability plans delivering results, our strong balance sheet positions us to balance pursuing strategic opportunities and returning cash to our shareholders. To that end, we initiated a quarterly common stock dividend and added to our share buyback authorization. Since we initiated a share buyback program in 2011, we have repurchased 10.4 million shares, or about 17% of shares outstanding in 2011. The most recent addition to the program results in a \$400 million authorization over the next three years.

Measuring Our Success

I am very pleased with our record-setting results in 2016. We are meeting our commitments to our shareholders, customers, and employees. We are delivering profitable growth, we have a strong balance sheet and we are investing in Tenneco’s future.

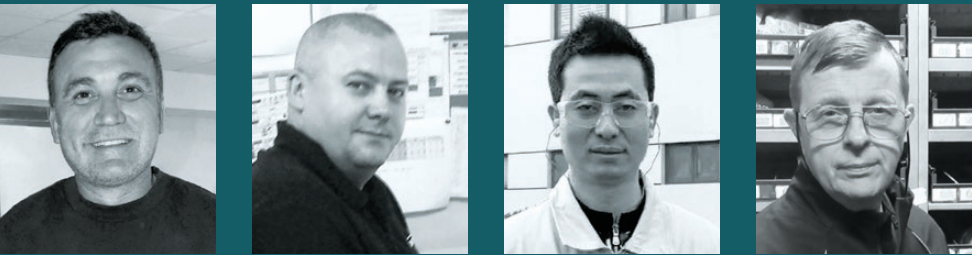
I am proud of these results but percentage points and dollars are not the only measures of our success. I am also proud of the way we deliver those results and everything we do to strengthen our common foundation including highlighting and celebrating

our shared values as we do with our annual TEN10 award. Our global team members are spread across 24 countries, speak 17 different languages and represent a strong fabric of cultural and ethnic diversity. With that diversity, what defines Tenneco and connects all of us are these shared values. Our values foster a culture of respect, integrity and responsibility and are at the heart of our performance.

In closing, it has been a privilege to serve as Tenneco’s Chairman and CEO for the past 10 years. I have had the opportunity to lead the best team in the industry. I am extremely proud of how, together, we have established a record of success and put Tenneco on a winning path well into the future. Looking ahead, I am excited about Tenneco’s prospects as Brian Kessler assumes the role of CEO in May 2017 and I become executive chairman. Brian shares my passion and commitment for keeping Tenneco moving forward. I am pleased to report that all of the pieces are in place to do just that.

Gregg Sherrill
Chairman and Chief Executive Officer
Tenneco Inc.

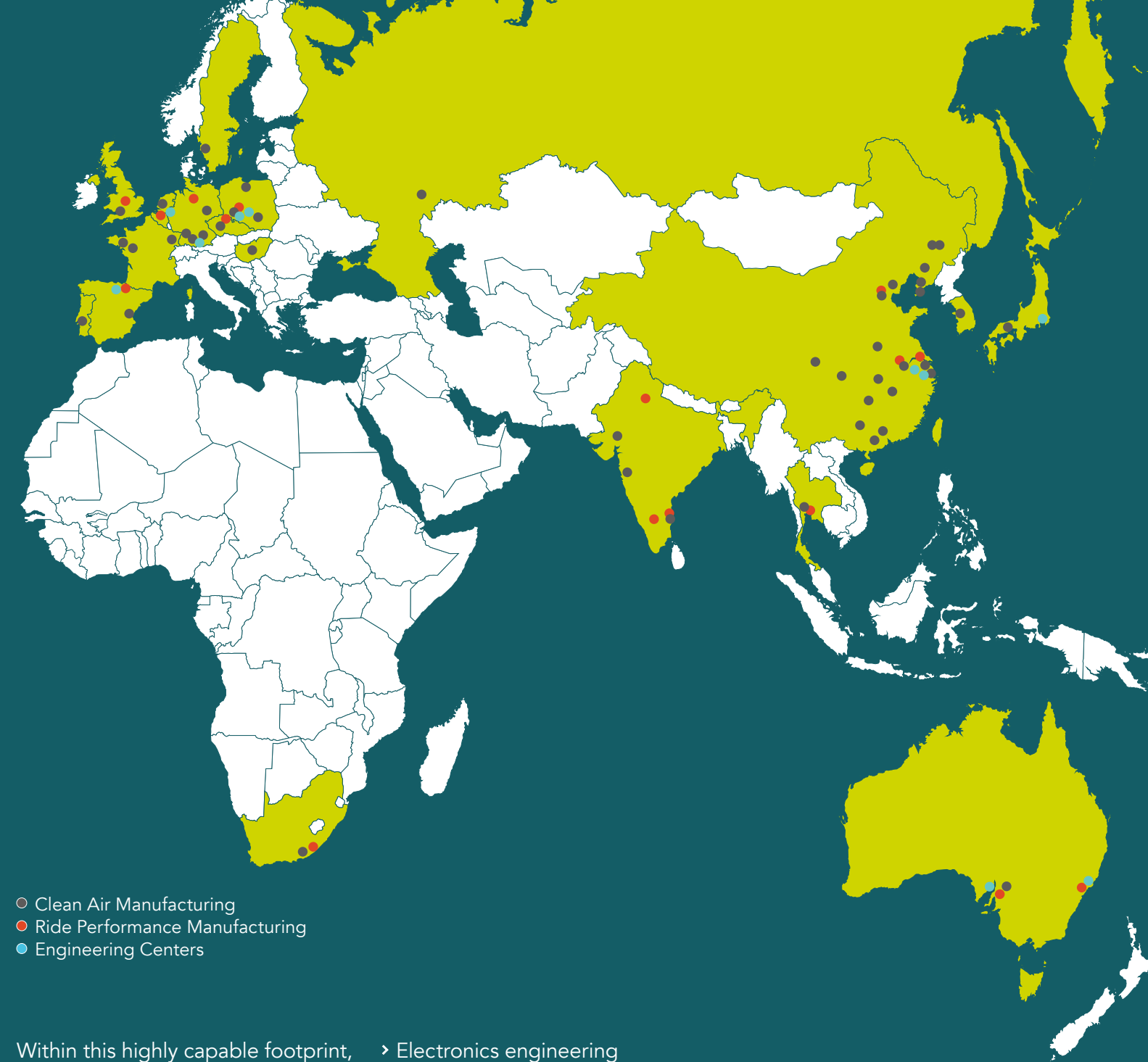
Highlighting and Celebrating
Our Shared Values



- Shared Values**
- Accountability
 - Health & Safety
 - Innovation
 - Integrity
 - Passion and a Sense of Urgency
 - Perseverance
 - Results Oriented
 - Teamwork
 - Transparency
 - Trust

(left to right) Mira Saric, Joseph Keiser, Brad Hunt, Al Stewart, Mauricio Gomez, Sebastian Łuka, Dongdong Luo, Paul Arens, Liang Yan, Yuki Ishida, Aftermarket Customer Service Team (Birgit Belet, Marie Calderon, Tiziana Peluso, Inge Plugers, Gisele Recko, Tamara Vanbrabant, Kristl Vanelderren)

Tenneco supports customers globally with research, engineering and manufacturing capabilities strategically located to capture growth opportunities in the world's largest and fastest-growing markets.



- Clean Air Manufacturing
- Ride Performance Manufacturing
- Engineering Centers

Within this highly capable footprint, globally connected technical centers are dedicated to Clean Air and Ride Performance product development and testing.

During 2016, a number of expansions and enhancements were implemented to further support our customers' success and fuel Tenneco's growth, including:

- › Electronics engineering capabilities in Grass Lake, Michigan and Kunshan, China.
- › Expanded software development capabilities in Bangalore, India.
- › New commercial truck testing capabilities in Edenkoben, Germany.
- › Expanded technical center in Yokohama, Japan.

New products and technology— powered by people. Globally consistent processes support the development of new technologies and products for both the Clean Air and Ride Performance product lines.

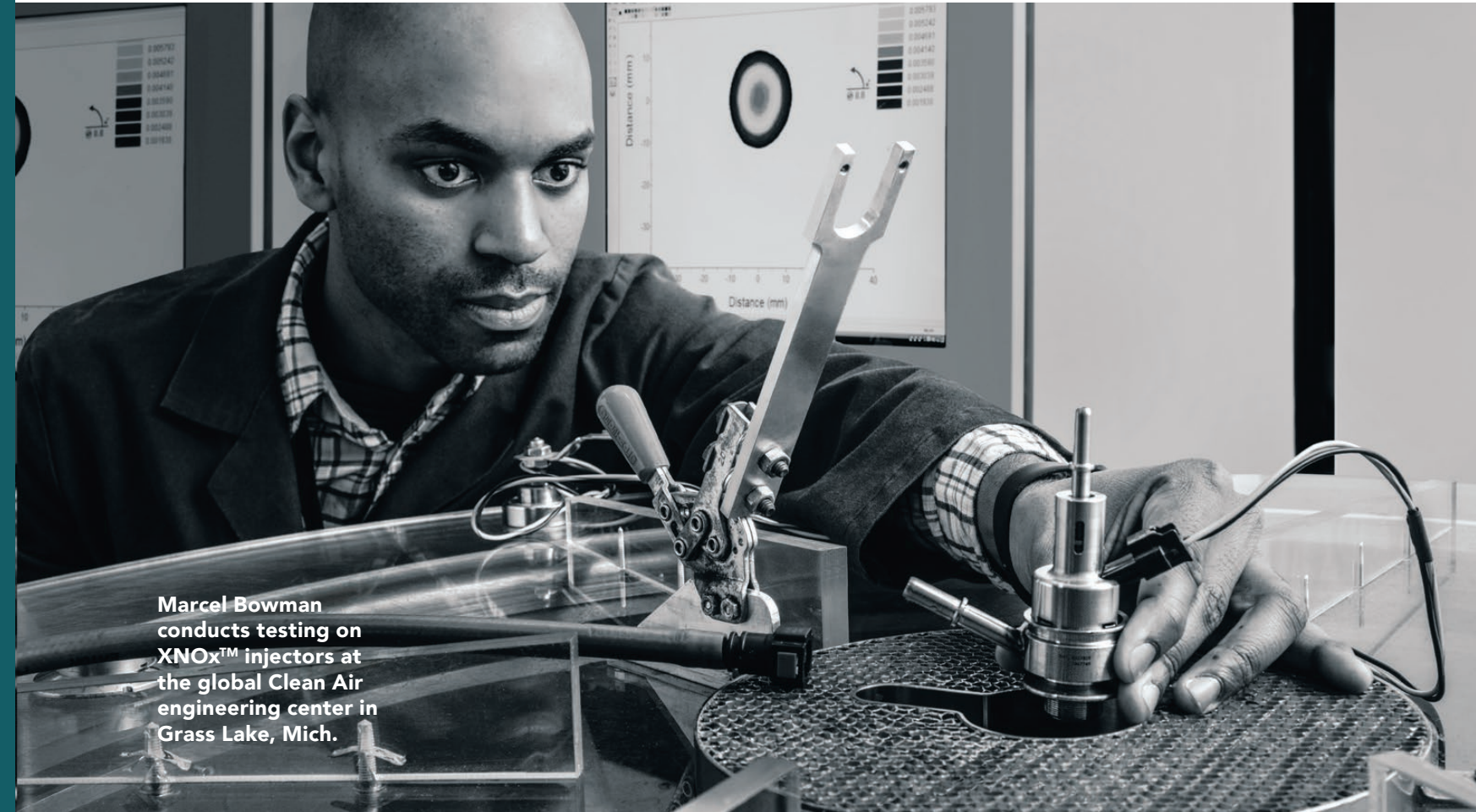
The Tenneco Business System provides standardized processes and a common language shared by all functional teams, customer business units and regions, creating greater efficiency across critical business processes.

All product development and launch activities begin and end with customer priorities in mind.

We're driving greater speed and predictability with consistent global processes and disciplined execution, beginning with our core science research through new technology introduction, product applications engineering, and our program management and launch activities.



Petra Marx monitors the performance and quality of automated valve assembly systems at the global Ride Performance engineering center in Sint Truiden, Belgium.



Marcel Bowman conducts testing on XNOx™ injectors at the global Clean Air engineering center in Grass Lake, Mich.

INNOVATE: Clean Air



1 Mufflers with Tenneco passive valves deliver acoustic performance with reduced weight and size.

2 Air gap pipe improves system performance by optimizing overall thermal management.

3 8 Electronic valves help regulate exhaust system backpressure and facilitate bypass loops to support engine performance.

4 Engineered elastomer exhaust hangers reduce noise, vibration and harshness.

5 Selective catalytic reduction (SCR) systems provide efficient removal of harmful NOx emissions.

6 Injectors and dosing controls are a key component of Tenneco's XNOx™ complete aftertreatment system.

Tenneco's technology roadmap aligns our portfolio of Clean Air products with future emissions regulations globally

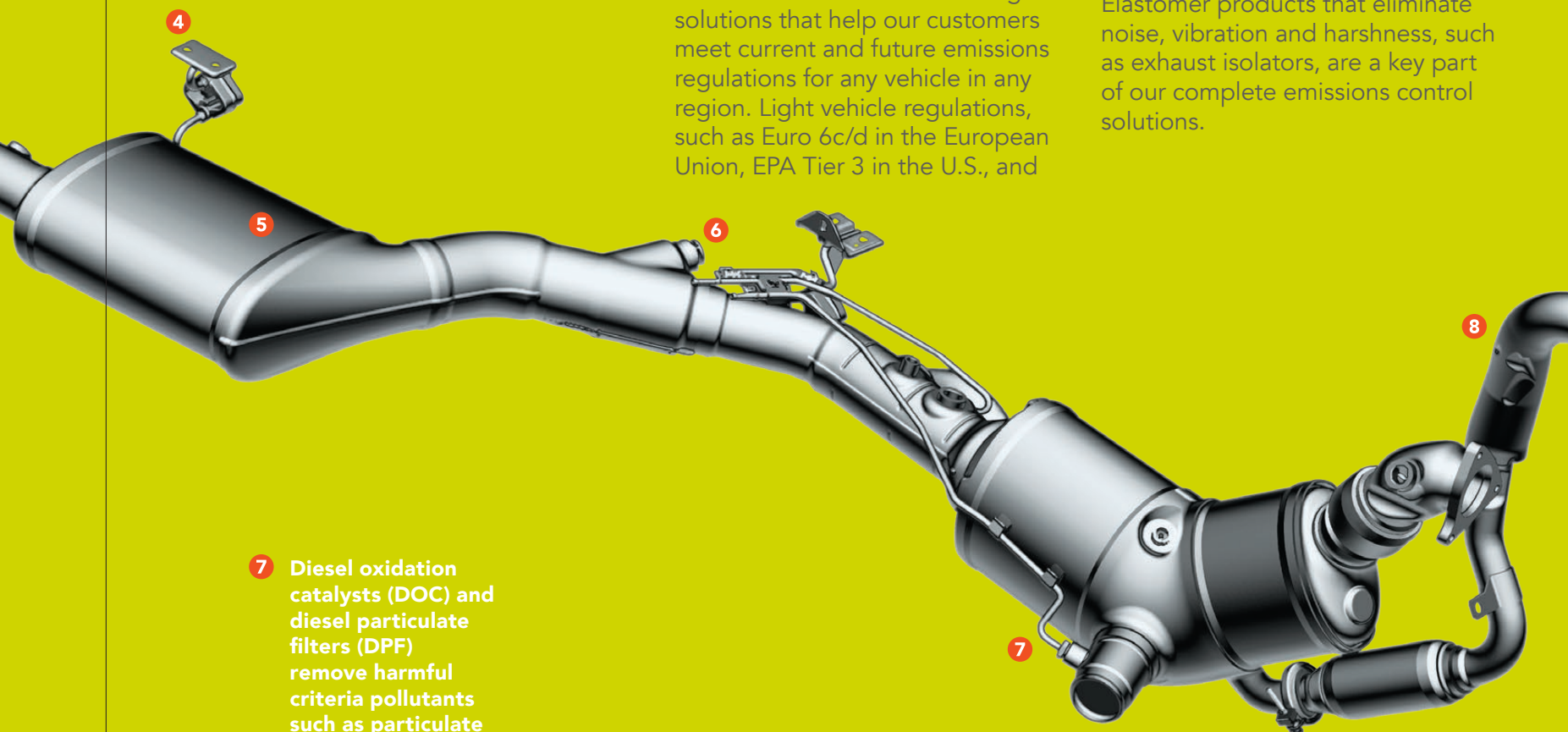
Our engineering, manufacturing and customer teams work tirelessly to ensure that we are delivering solutions that help our customers meet current and future emissions regulations for any vehicle in any region. Light vehicle regulations, such as Euro 6c/d in the European Union, EPA Tier 3 in the U.S., and

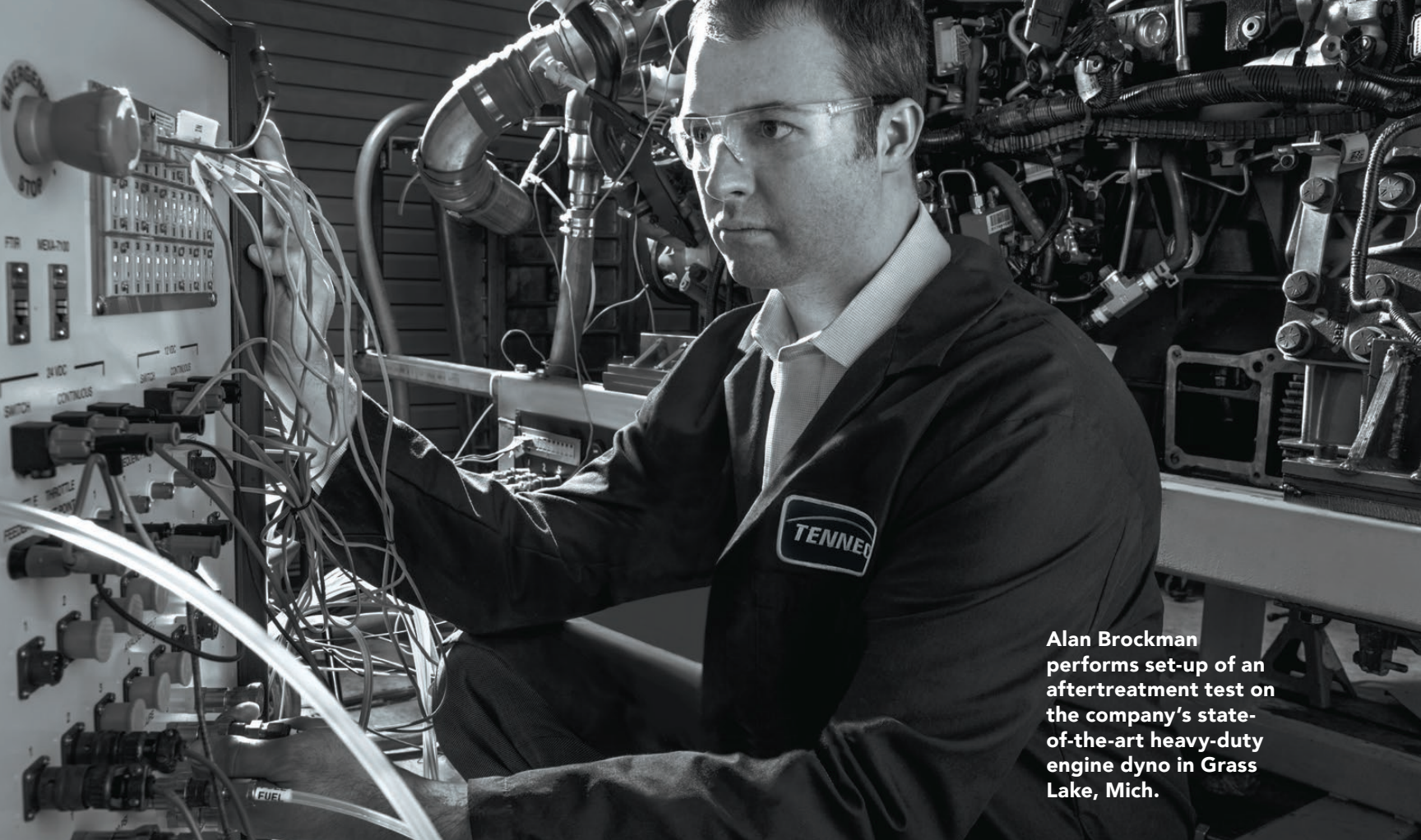
JP-16 in Japan are particularly important, as light vehicle revenue represented 75 percent of total revenue in 2016.

Tenneco also contributes to greenhouse gas reductions through fuel efficiency gains with our lightweight solutions for emissions control and acoustics including fabricated manifolds, tailored mufflers and high performance passive valves. Additionally, improved aftertreatment system efficiency allows customers to calibrate engines more aggressively to achieve better fuel economy without compromising vehicle performance and while still meeting emissions standards.

Elastomer products that eliminate noise, vibration and harshness, such as exhaust isolators, are a key part of our complete emissions control solutions.

7 Diesel oxidation catalysts (DOC) and diesel particulate filters (DPF) remove harmful criteria pollutants such as particulate matter from exhaust gas.





Alan Brockman performs set-up of an aftertreatment test on the company's state-of-the-art heavy-duty engine dyno in Grass Lake, Mich.

Clean Air technologies eliminate criteria pollutants

Customers rely on Tenneco technology to reduce criteria pollutants in exhaust gas to regulated levels, including non-methane organic gases (NMOG), nitrogen oxides (NOx) and the number and size of particulates. While advanced catalytic converters and SCR aftertreatment technology effectively reduce NMOG and NOx, filtration is critical in removing particulate matter in light vehicle, commercial truck and off-highway applications. Future emissions

regulations including China National Standard V and VI, and India Bharat Stage VI will require the use of filtration in diesel engine applications.

Tenneco was a pioneer in developing diesel particulate filters (DPF), and continues to lead in Clean Air technologies such as gasoline particulate filters (GPF), which reduce particulate emissions in gasoline engines. GPFs are a critical part of aftertreatment strategies for European light vehicle regulations (Euro 6c/d) beginning in 2017. Tenneco's expertise in systems integration, precision manufacturing and the packaging of the emissions control system enables customized DPF and GPF solutions that effectively control particulate emissions.

63

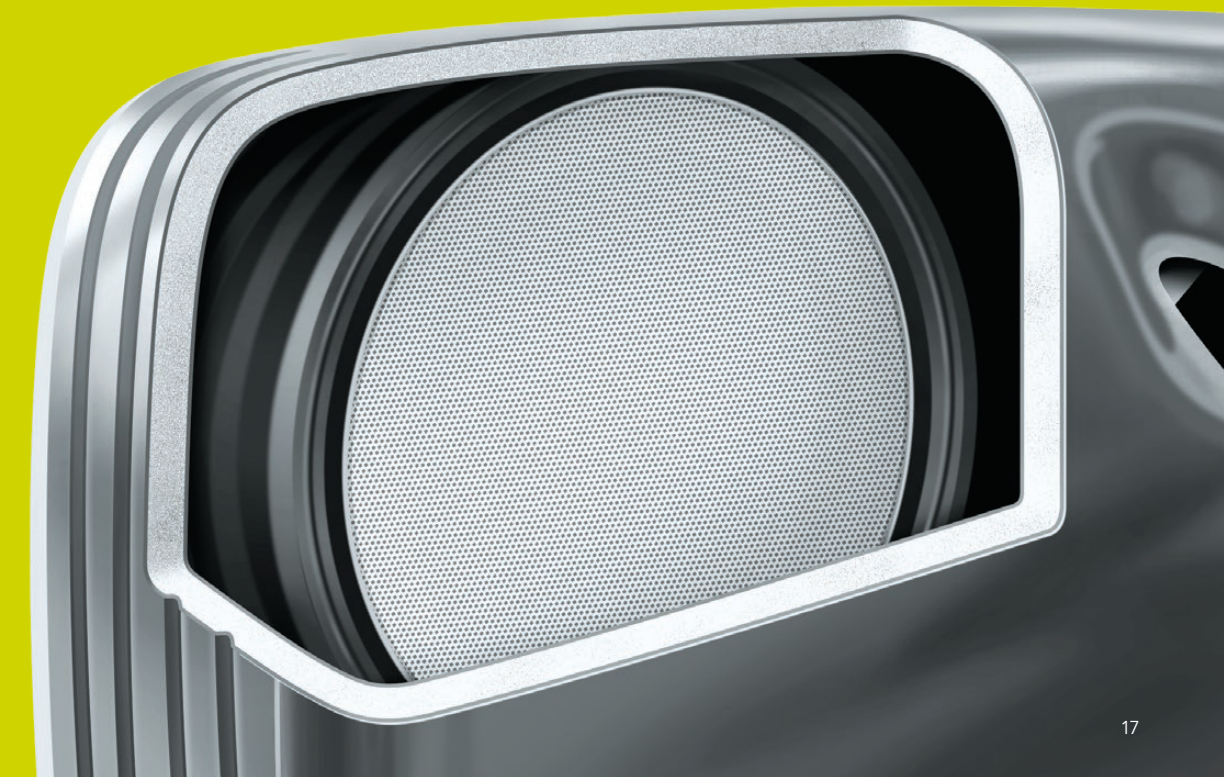
STRATEGICALLY
LOCATED CLEAN AIR
MANUFACTURING
LOCATIONS
WORLDWIDE

In fast-growing urban areas, particularly in China and India, air quality is hazardous when particulate matter exceeds safe air quality index levels. Tenneco DPF technology is a proven solution to reduce particulate matter.



\$6.1 BILLION CLEAN AIR REVENUE IN 2016

Tenneco's One-Box complete aftertreatment system incorporates a DOC, DPF and SCR catalyst designed specifically for commercial truck applications.



Production-ready solutions designed for global emissions requirements

Tenneco's suite of Clean Air solutions are paving the way for growth with commercial truck and off-highway customers, who are facing increasingly stringent diesel emissions regulations. Our robust portfolio of technologies can be tailored to meet regional requirements as emissions regulations continue to evolve, particularly in Europe, India and China.

Advanced mixing and dosing solutions are critical for achieving high efficiency NOx reduction. Tenneco's state-of-the-art custom-engineered mixing components ensure consistent mixing of liquid urea and optimized performance of the selective catalytic reduction (SCR) aftertreatment system in diesel engine applications. Our proprietary dosing modules are designed to efficiently inject diesel emissions fluid into the exhaust system to effectively reduce NOx emissions.

Tenneco has developed a modular one-box solution that integrates all required aftertreatment components such as the DOC, DPF and SCR converters as well as advanced mixing and dosing technologies. This advanced solution enables future growth in global commercial truck and off-highway applications.



The Tenneco Experience mobile technology vehicle launched in 2016 showcases Clean Air and Ride Performance products to customers, investors and employees.



The versatile Mix-Box design is one of the advanced mixing products from Tenneco's portfolio of proprietary mixers.



Leveraging our systems integration expertise, Tenneco's innovative new CleanEGR™ exhaust gas recirculation system for gasoline engines provides both fuel savings and emissions reduction.

- 1 Electronic valve directs some of the exhaust gas back into the air intake stream.
- 2 Exhaust cooler lowers the exhaust temperature and further helps reduce emissions.
- 3 Gasoline Particulate Filter (GPF) in the CleanEGR loop reduces engine knock, and filters particulate matter, which can improve overall engine performance.

Solutions for a cleaner future

Tenneco remains committed to developing Clean Air products and systems designed to meet any global emissions regulation and powertrain strategy. In fact, our current technology portfolio addresses an estimated 96 percent of powertrain applications in 2030. We are investing in core sciences, including combustion and thermal management, materials science and thermoelectrical energy to support innovative solutions for our customers.

Innovations in 2016 include:

- › CleanEGR™ exhaust gas recirculation systems, which reduce emissions and improve engine performance by incorporating a gasoline particulate filter in the EGR loop.
- › Thermoacoustic converters designed for mobile applications use exhaust heat to amplify an acoustic wave to create electrical power for the vehicle.
- › Smart Sound™ exhaust system that combines signature sound creation and active noise cancellation technology to create unique signature exhaust sounds for internal combustion engine, hybrid or electric powertrains.

INNOVATE: Precision Ride Performance



Global leadership in advanced and conventional suspension technology

Precision-tuned vehicle suspension systems incorporating conventional components, electronic technology, or both, remain a critical priority for our OE and aftermarket customers, and represent a significant growth opportunity for Tenneco. Designed to easily integrate into customers' vehicle architectures, Tenneco's ride performance products can be expertly configured to differentiate vehicles, while providing the ride comfort and handling consumers have come to expect.

In 2016, Tenneco continued to introduce new Monroe Intelligent Suspension technologies. We successfully launched our Dual Mode adaptive suspension technology on the Ford Focus RS. Dual Mode uses an intelligent valve in the shock absorber that can switch between comfort and firmer damping for better road handling.

1 Tenneco's digital valve, known as DRiV™, offers adjustable damping without the need for a dedicated electronic control unit, making it a cost-effective solution.

Superior driving experience for every driver, every vehicle, every road

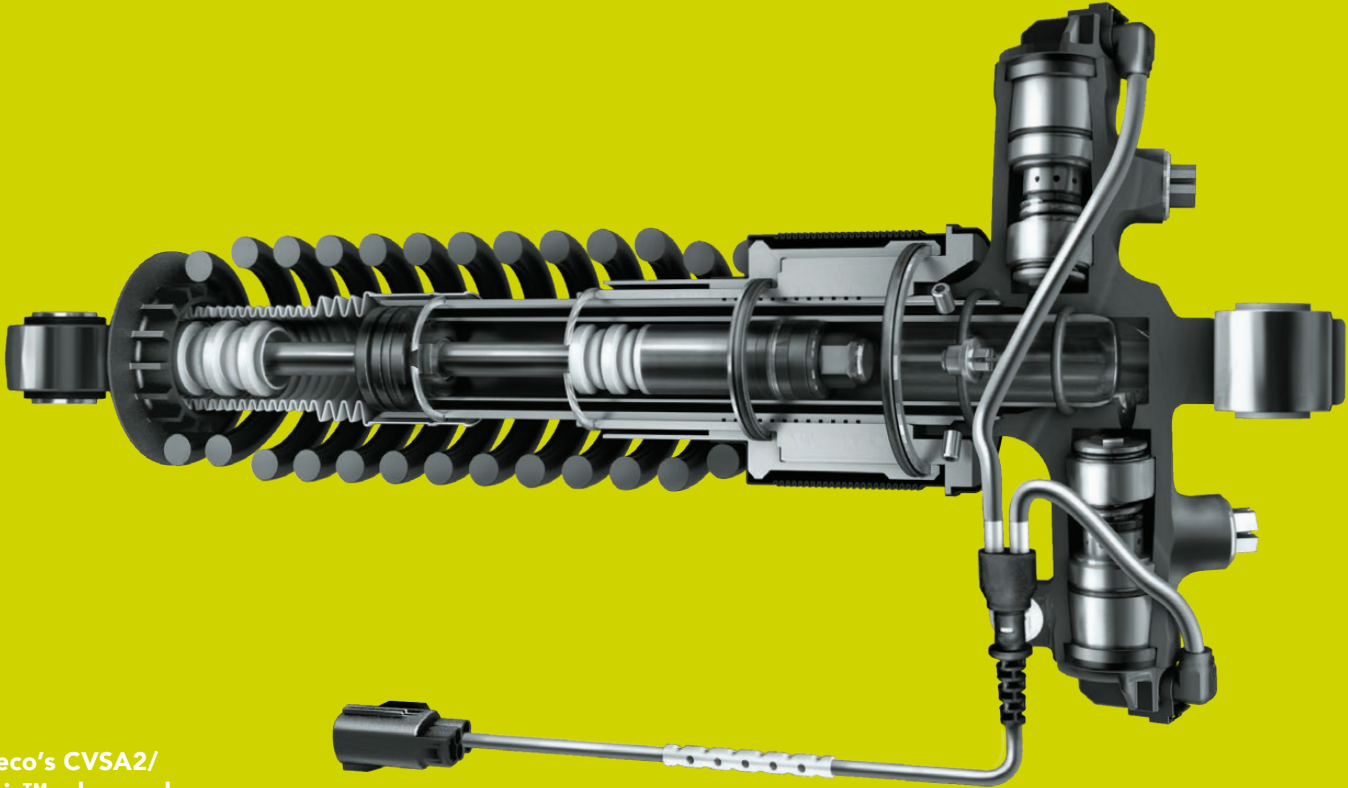
From small A-class vehicles to large luxury sedans, Tenneco's electronic suspension technologies drove significant growth for the Ride Performance business in 2016. Since its introduction in 2002, our Continuously Variable Semi-Active Suspension MIS technology has launched on more than 40 models, most recently the BMW 3-series, Renault Talisman, the Volvo XC90 and the Infiniti Q50 and Q60.

In 2016, Tenneco continued to showcase its leadership in conventional technologies as well.

We supported our customers' high volume production needs around the world, selling more than 90 million shocks and struts globally.

Noise Vibration and Harshness (NVH) remains a critical component of ride performance. Tenneco's global elastomer bushing, mount and isolator products support our customers with highly engineered solutions that provide improved NVH and overall suspension system performance.

Tenneco's global aftermarket represented 14% of revenue in 2016 and contributed to profitable growth with leading global brands, products and strong distribution capabilities. Most notably, the well-known Monroe brand celebrated its 100th anniversary, further demonstrating the power of the brand in representing premium products and outstanding customer service.



Tenneco's CVSA2/Kinetic™ advanced suspension system is available on a leading high performance supercar.

90+
MILLION SHOCKS AND STRUTS
SOLD EACH YEAR

\$2.5
BILLION
RIDE
PERFORMANCE
REVENUE
IN 2016



Custom-engineered components, such as Clevite Elastomers® bushings address the most challenging noise, vibration and harshness issues our customers face.

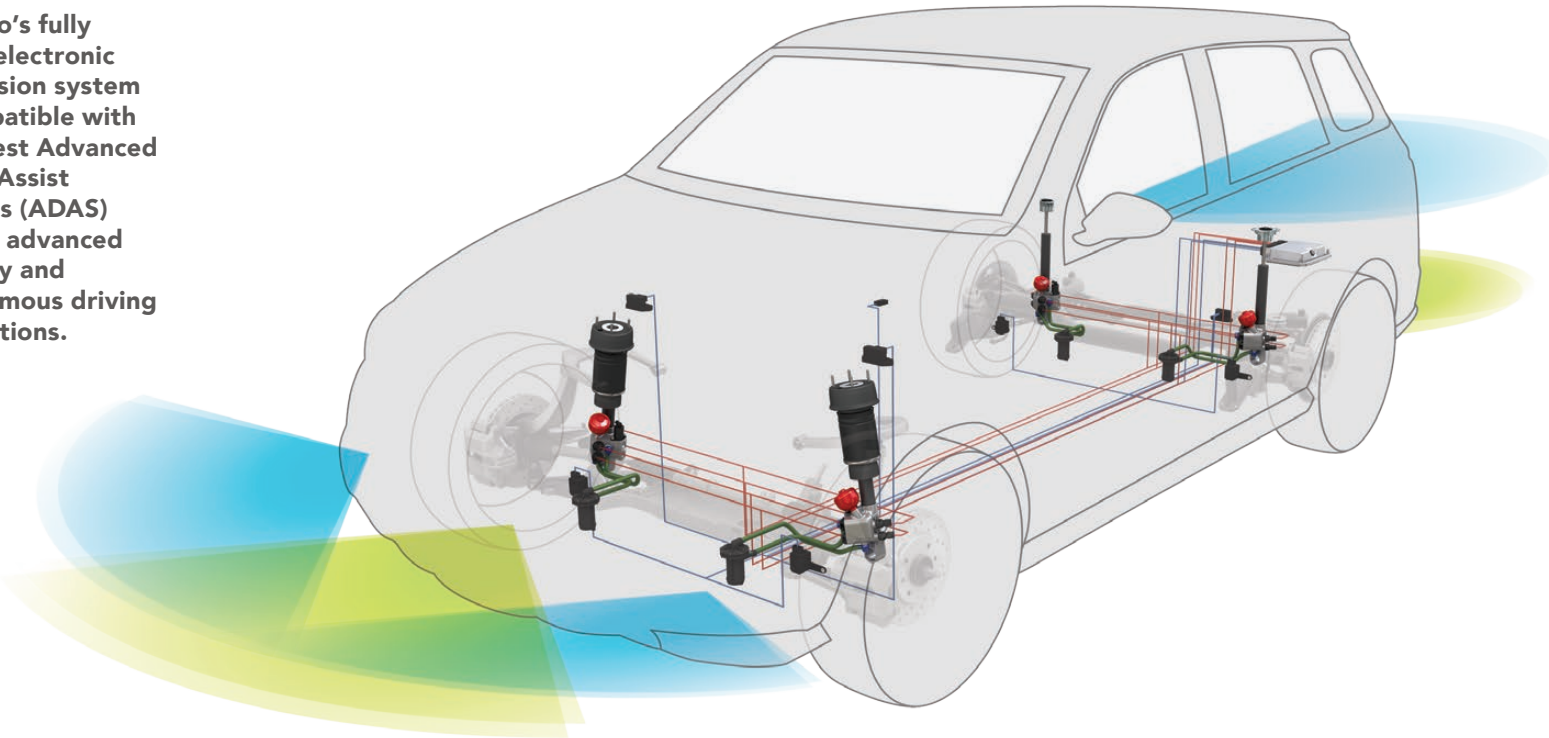
Active suspension technology driving future mobility

The future of mobility will rely on an increasing number of advanced electronics, sensors and smart systems to deliver the safety, comfort and vehicle performance that drivers expect. Suspension technology plays a critical role in smart mobility, and Tenneco's ACOCAR® fully active, electronically controlled suspension system

provides a feature-rich solution for advanced mobility applications.

ACOCAR®, with active control of wheel and body motion, delivers the ultimate in ride comfort and handling on any road condition, as well as improved off-road performance for SUVs and trucks. Hydraulic power packs drive four lightweight actuators designed to operate independently to control roll, pitch and heave, resulting in superior handling, safety and comfort. ACOCAR's lightweight, scalable architecture offers an economical and easy-to-integrate solution with different functionality for different car models built on a single platform.

Tenneco's fully active electronic suspension system is compatible with the latest Advanced Driver Assist Systems (ADAS) used in advanced mobility and autonomous driving applications.



Tommaso Valerio performs noise and vibration measurements on an ACOCAR test vehicle at our global Ride Performance engineering center in Sint Truiden, Belgium.



Tom Gijsen supervises the test of a full damper corner module installed in a full suspension corner where real road conditions can be accurately reproduced (Sint Truiden, Belgium).

BOARD OF DIRECTORS



Thomas C. Freyman¹
Retired Executive Vice President,
Finance and Administration,
Abbott



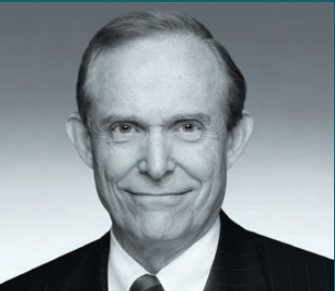
Brian J. Kessler
Chief Operating Officer,
Tenneco Inc.



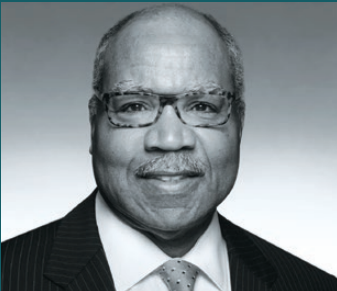
Dennis J. Letham¹
Retired Executive Vice President
and Chief Financial Officer,
Anixter International Inc.



James S. Metcalf¹
Retired Chairman, President
and Chief Executive Officer,
USG Corporation



Roger B. Porter²
IBM Professor of Business
and Government, Harvard
University



David B. Price, Jr.²
Chief Executive Officer and
President, Birdet Price, LLC



Gregg M. Sherrill
Chairman and Chief Executive
Officer, Tenneco Inc.



Paul T. Stecko²
Retired Chairman and Chief
Executive Officer, Packaging
Corporation of America



Jane L. Warner¹
Retired Executive Vice President,
Illinois Tool Works Inc.



Roger J. Wood²
Retired President and
Chief Executive Officer,
Dana Holding Corporation

¹ Audit Committee
² Compensation/Nominating/Governance Committee
Highlighted numbers indicate committee chair.

INVESTOR RELATIONS

Stockholder Services

For stockholder services such as exchange of certificates, issuance of certificates, lost certificates, change of address, change in registered ownership or share balance, write, call, or e-mail the company’s transfer agent:

Wells Fargo Bank, N.A.
Shareowner Services
1110 Centre Point Curve
Mendota Heights, MN 55120
866.839.3259 (Toll Free)
651.450.4064
www.wellsfargo.com/
shareownerservices

Corporate Information

Information about Tenneco Inc. is available on the company’s website www.tenneco.com, including the company’s latest quarterly earnings press release and other company information.

Stock Listing

Tenneco’s common stock is listed under the NYSE ticker symbol TEN. TEN is traded primarily on the New York Stock Exchange and also on the Chicago Stock Exchange. As of February 17, 2017, there were approximately 15,237 stockholders of record of the company’s common stock, par value \$0.01 per share, including brokers and other nominees.

Investment Inquiries

Securities analysts, portfolio managers and representatives of financial institutions seeking information about the company should contact the Investor Relations department: 847.482.5162.

Safe Harbor Statement

Please see the Safe Harbor Statement and Risk Factors in Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2016 and in our quarterly reports on Form 10-Q, as filed with the Securities and Exchange Commission.

RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES

Unaudited (\$ in millions except percents and per share amounts)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net sales and operating revenues	\$4,682	\$6,184	\$5,916	\$4,649	\$5,937	\$7,205	\$7,363	\$7,964	\$8,420	\$8,209	\$8,599
Less: Substrate sales	927	1,673	1,492	966	1,284	1,678	1,660	1,835	1,934	1,916	2,028
Value-add revenues ¹	\$3,755	\$4,511	\$4,424	\$3,683	\$4,653	\$5,527	\$5,703	\$6,129	\$6,486	\$6,293	\$6,571
EBIT	\$ 196	\$ 252	\$ (3)	\$ 92	\$ 281	\$ 379	\$ 428	\$ 424	\$ 492	\$ 519	\$ 528
Adjustments (reflect non-GAAP measures):											
Restructuring and related expenses	27	25	40	21	19	8	13	78	49	63	36
Pullman recoveries	–	–	–	–	–	–	(5)	–	–	–	–
Asset impairment charge	–	–	–	–	–	–	7	–	–	–	–
Goodwill impairment	–	–	114	–	–	11	–	–	–	–	–
Bad debt charge	–	–	–	–	–	–	–	–	4	–	–
Pension/Postretirement charges	(7)	–	–	–	6	–	–	–	32	4	72
Environmental reserves	–	–	–	5	–	–	–	–	–	–	–
New aftermarket customer changeover costs	6	5	7	–	–	–	–	–	–	–	–
Reserve for receivables from former affiliate	3	–	–	–	–	–	–	–	–	–	–
Adjusted EBIT (non-GAAP earnings measure) ²	\$ 225	\$ 282	\$ 158	\$ 118	\$ 306	\$ 398	\$ 443	\$ 502	\$577	\$ 586	\$ 636
Adjusted EBIT as a % of value-add revenue ³	6.0%	6.3%	3.6%	3.2%	6.6%	7.2%	7.8%	8.2%	8.9%	9.3%	9.7%

1 Tenneco presents the above reconciliation of revenues in order to reflect value-add revenues separately from substrate sales. 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.

2 Tenneco presents the above reconciliations of non-GAAP results in order to reflect the results in a manner that allows a better understanding of the results of operational activities separate from the financial impact of decisions made for the long-term benefit of the company. Adjustments similar to the ones reflected above have been recorded in earlier periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Using only the non-GAAP earnings measure to analyze earnings would have material limitations because its calculation is based on the subjective determinations of management regarding the nature and classification of events and circumstances that investors may find material. Management compensates for these limitations by utilizing both GAAP and non-GAAP earnings measures reflected above to understand and analyze the results of the business. The company believes investors find the non-GAAP information helpful in understanding the ongoing performance of operations separate from items that may have a disproportionate positive or negative impact on the company’s financial results in any particular period.

3 Tenneco presents adjusted EBIT as a percentage of value-add revenue to assist investors in evaluating the company’s operational performance without the impact of substrate sales.



Corporate Headquarters

Tenneco Inc.

500 North Field Drive

Lake Forest, Illinois 60045

847.482.5000

www.tenneco.com

NYSE: TEN