TENNECO INC.

ATTACHMENT 2

RECONCILIATION OF GAAP[1] TO NON-GAAP EARNINGS MEASURES[2]

Unaudited

	Q4 2008				Q4 2007			
	EBITDA [3]	EBIT	Net Income (Loss)	Per Share	EBITDA [3]	EBIT	Net Income (Loss)	Per Share
Earnings Measures	$ (91)	$ (145)	$ (298)	$ (6.40)	$ 98	$ 43	$ (72)	$ (1.57)
Adjustments (reflect non-GAAP measures):								
Restructuring and restructuring related expenses	24	24	16	0.34	18	18	11	0.26
Goodwill Impairment Charge [4]	114	114	114	2.44	-	-	-	-
Charges related to refinancing	-	-	-	-	-	-	14	0.31
Net tax adjustments [5]	-	-	144	3.11	-	-	64	1.34
Non-GAAP earnings measures	$ 47	$ (7)	$ (24)	$ (0.51)	$ 116	$ 61	$ 17	$ 0.34

	Q4 2008			
	North America	Europe & SA	Asia Pacific	Total
EBIT	$ (131)	$ (12)	$ (2)	$ (145)
Restructuring and restructuring related expenses	9	15	-	24
Goodwill Impairment Charge [4]	114	-	-	114
Adjusted EBIT	$ (8)	$ 3	$ (2)	$ (7)

	Q4 2007			
	North America	Europe & SA	Asia Pacific	Total
EBIT	$ 16	19	$ 8	$ 43
Restructuring and restructuring related expenses	2	16	-	18
Adjusted EBIT	$ 18	$ 35	$ 8	$ 61

[1] Generally Accepted Accounting Principles

[2] Tenneco presents the above reconciliation of GAAP to non-GAAP earnings measures primarily to reflect the results for the fourth quarters of 2008 and 2007 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 measures 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] EBITDA including minority interest represents income before interest expense, income taxes, minority interest and depreciation and amortization. EBITDA including minority interest is not a calculation based upon generally accepted accounting principles. The amounts included in the EBITDA including minority interest calculation, however, are derived from amounts included in the historical statements of income data. In addition, EBITDA including minority interest should not be considered as an alternative to net income or operating income as an indicator of the company's operating performance, or as an alternative to operating cash flows as a measure of liquidity. Tenneco has presented EBITDA including minority interest because it regularly reviews EBITDA including minority interest as a measure of the company's performance. In addition, Tenneco believes its investors utilize and analyze our EBITDA including minority interest for similar purposes. Tenneco also believes EBITDA including minority interest assists investors in comparing a company's performance on a consistent basis without regard to depreciation and amortization, which can vary significantly depending upon many factors. However, the EBITDA including minority interest measure presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

[4] Non-cash asset impairment charge related to goodwill for Tenneco's 1996 acquisition of Clevite Industries.

[5] Non-cash tax charges related to the valuation allowance against our U.S. deferred tax assets, as well as the impact of not benefiting U.S. tax losses, changes in foreign tax rates, valuation allowances in certain foreign countries and other tax adjustments.