

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

	Nine Months Ended	
	September 30,	
	2004	2003
Operating activities:		
Net income	\$ 34	\$ 29
Adjustments to reconcile income to net cash provided by operating activities -		
Depreciation and amortization	131	120
Deferred income taxes	(12)	(17)
(Gain)/loss on sale of assets, net	-	1
Changes in components of working capital -		
(Inc.)/dec. in receivables	(66)	(46)
(Inc.)/dec. in inventories	(22)	43
(Inc.)/dec. in prepayments and other current assets	(21)	3
Inc./(dec.) in payables	55	31
Inc./(dec.) in taxes accrued	5	(25)
Inc./(dec.) in interest accrued	-	19
Inc./(dec.) in other current liabilities	21	(15)
Other	10	19
Net cash provided by operating activities	<u>135</u>	<u>162</u>
Investing activities:		
Net proceeds from sale of assets	12	4
Expenditures for plant, property & equipment	(87)	(83)
Investments and other	-	(5)
Net cash used by investing activities	<u>(75)</u>	<u>(84)</u>
Financing activities:		
Issuance of common shares	6	-
Proceeds from capital contributions	-	1
Purchase of common stock	-	-
Issuance of long-term debt	-	350
Debt issuance costs on long-term debt	-	(13)
Retirement of long-term debt	(6)	(277)
Net inc./(dec.) in short-term debt excluding current maturities on long-term debt	1	(119)
Other	1	(1)
Net cash provided (used) by financing activities	<u>2</u>	<u>(59)</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(4)</u>	<u>(10)</u>
Inc./(dec.) in cash and cash equivalents	58	9
Cash and cash equivalents, January 1	145	54
Cash and cash equivalents, September 30	<u>\$ 203</u>	<u>\$ 63</u>
Cash paid during the period for interest	\$ 106	\$ 79
Cash paid during the period for income taxes	\$ 15	\$ 41