



# Wolfe Virtual Global Auto, Auto Tech, and Mobility Conference

February 25, 2021

NYSE: TEN

# Safe Harbor

## Forward-Looking Statements

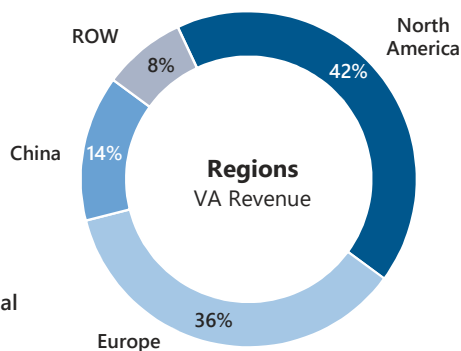
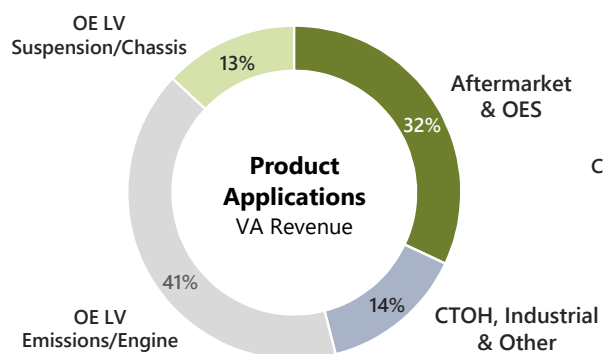
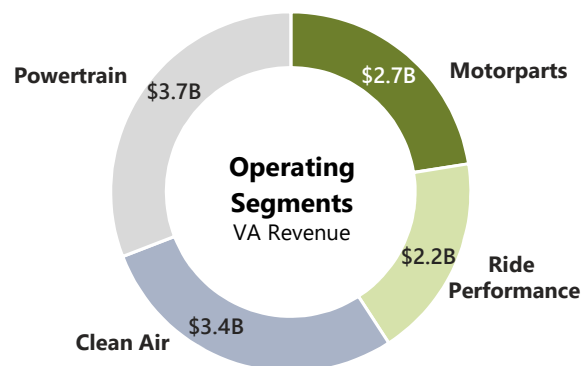
This communication contains forward-looking statements. These forward-looking statements include, but are not limited to, (i) all statements, other than statements of historical fact, included in this communication that address activities, events or developments that we expect or anticipate will or may occur in the future or that depend on future events and (ii) statements about our future business plans and strategy and other statements that describe Tenneco's outlook, objectives, plans, intentions or goals, and any discussion of future operating or financial performance. These forward-looking statements are included in various sections of this communication and the words "may," "will," "believe," "should," "could," "plan," "expect," "anticipate," "estimate," and similar expressions (and variations thereof) are intended to identify forward-looking statements. Forward-looking statements included in this communication concern, among other things, future performance improvement plans; future financial and operating results; and other statements that are not historical facts. Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to materially differ from those described in the forward-looking statements, including the course of the COVID-19 pandemic and its impact on general economic, business and market conditions; our ability (or inability) to execute on our plans to respond to the COVID-19 pandemic and our previously announced Accelerate plan and to realize the anticipated benefits of these actions; our financial flexibility in addressing the impact of the COVID-19 pandemic; our ability to maintain compliance with the agreements governing our indebtedness and otherwise have sufficient liquidity through the COVID-19 pandemic; the possibility that Tenneco may not complete a separation of the Aftermarket & Ride Performance business from the Powertrain Technology business; the possibility that Tenneco will be unable to execute on its strategy and maintain compliance with the covenants in its Credit Agreement; the ability to retain and hire key personnel and maintain relationships with customers, suppliers or other business partners; as well as the risk factors and cautionary statements included in Tenneco's periodic and current reports (Forms 10-K, 10-Q and 8-K) filed from time to time with the SEC. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Unless otherwise indicated, the forward-looking statements in this release are made as of the date of this communication, and, except as required by law, Tenneco does not undertake any obligation, and disclaims any obligation, to publicly disclose revisions or updates to any forward-looking statements. Additional information regarding these risk factors and uncertainties is detailed from time to time in the company's SEC filings, including but not limited to its annual report on Form 10-K for the year ended December 31, 2020.

In addition, please see Tenneco's press release issued on February 24, 2021 for factors that could cause Tenneco's future performance to vary from the expectations expressed or implied by the forward-looking statements herein and for certain reconciliations of GAAP to non-GAAP results.

# Tenneco 2020 Year in Review

Advantaged scale and diversification in product lines, end markets and regions

**2020 Revenue** | **\$15.4B** Revenue  
**\$12.0B** Value-add (VA) Revenue



## Key 2020 Highlights

H2 YoY margin <sup>(1)</sup> performance	↑	190 bps
Net debt	↓	\$0.5B <sup>(2)</sup>
Liquidity at year-end		\$2.3B <sup>(3)</sup>

## 2020 Accelerate<sup>+</sup> Program Highlights

- Run rate savings by year end ✓ \$165M
- Cost to achieve ✓ \$150M
- Working Capital efficiency ✓ \$250M  
(Completed in 2020 - 1 year ahead of plan)

~60% of VA Revenue unrelated to OE light vehicle internal combustion engine product lines

(1) H2 2020 Adjusted EBITDA as a percent of VA revenue.

(2) Represents a reduction of debt net of total cash balances. (3) Liquidity as of 12/31/2020 reflects cash balances of \$0.8B and available revolving credit facility capacity of \$1.5B

# Tenneco: Built to deliver long-term customer and shareholder value

Providing solutions for global mobility markets – today and tomorrow

## Building Positive Performance Momentum



### Disciplined Performance Focus

- Accelerate+ Program delivering results
- Strong H2 2020 margin expansion
- Solid cash generation



### Strengthening Balance Sheet

- Lowering and optimizing capital intensity
- Improving leverage position
- Enhanced debt maturity profile



### Near-term Industry Outlook

- 2021 pandemic recovery
- 2023 light vehicle production expected to return to 2019 levels (*IHS – February 2021 forecast*)

## Driving Shareholder Value Creation



### Bolstering Long-term Core Growth

- Motorparts
- Advanced Suspension Technologies
- NVH Performance Materials



### Business Line Optimization

- Business line role alignment – growth, optimize, workout
- Clean Air & Powertrain cash engines funding core growth investments and debt reduction



### Significant Near-term Potential

- Continued margin expansion & cash generation focus
- Debt reduction enables shareholder value capture





# Appendix

# 2020 Revenue and Value-add Revenue

## Reconciliation of GAAP to Non-GAAP Results

(\$ millions)	Clean Air	Powertrain	Motorparts	Ride Performance	Total Tenneco
<b>Net sales and operating revenues</b>	\$ 6,721	\$ 3,726	\$ 2,725	\$ 2,207	\$ 15,379
<b>Less: Substrate sales</b>	3,355	-	-	-	3,355
<b>Value-add revenues<sup>(1)</sup></b>	\$ 3,366	\$ 3,726	\$ 2,725	\$ 2,207	\$ 12,024

- (1) Tenneco presents the 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. Tenneco uses this information to analyze the trend in revenues before these factors. Tenneco believes investors find this information useful in understanding period to period comparisons in the company's revenues.



***TENNECO***