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L.P.

# Icahn Enterprises L.P.

Q4 2021 Earnings Presentation

February 25, 2022

# Safe Harbor Statement

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## Forward-Looking Statements and Non-GAAP Financial Measures

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements we make in this presentation, including statements regarding our future performance and plans for our businesses and potential acquisitions. Forward-looking statements may be identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning and include, but are not limited to, statements about the expected future business and financial performance of Icahn Enterprises L.P. and its subsidiaries. Actual events, results and outcomes may differ materially from our expectations due to a variety of known and unknown risks, uncertainties and other factors that are discussed in our filings with the Securities and Exchange Commission, including economic, competitive, legal and other factors, including the severity, magnitude and duration of the COVID-19 pandemic. Accordingly, there is no assurance that our expectations will be realized. We assume no obligation to update or revise any forward-looking statements should circumstances change, except as otherwise required by law. This presentation also includes certain non-GAAP financial measures. A reconciliation of such non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the back of this presentation.

# Q4 2021 Highlights and Recent Developments

## SEGMENT RESULTS

- Q4 2021 IEP net loss of \$396 million, full year 2021 net loss of \$518 million is a \$1.1 billion improvement over full year 2020
- The full-year 2021 results were negatively impacted by losses of \$1.3 billion on IEP's Investment segment short positions (used to hedge our long positions). Other losses included \$435 million of RINs expense and \$205 million of Automotive transformation losses and inventory write-downs
- Indicative Net Asset Value increased by \$1.6 billion in 2021 to \$5.1 billion despite the headwinds mentioned above. The change in indicative net asset value includes, among other things, changes in the fair value of certain subsidiaries which are not included in our GAAP earnings reported above. In 2021, we revised how we estimate the fair value of our Automotive segment's owned real estate and its Services business which better reflects the fair value of the assets, which also contributed to the positive change
- Investment segment flat performance for the full year with a negative return of 8.3% for Q4 of 2021 primarily driven by select short positions
- Energy segment full year Adjusted EBITDA and net income improvements offset by \$435 million RINs expense
- Strong performance within Automotive Services in Revenue and EBITDA, significant progress in securing contracts for vacant real estate and continued progress in the Parts transformation

## BUSINESS DEVELOPMENTS

- In February 2022, we repaid all of our outstanding \$500 million aggregate principal amount of 6.750% senior unsecured notes due 2024 at par

## L.P. UNITHOLDERS

- On February 23, 2022, the Board declared a quarterly distribution in the amount of \$2.00 per depositary unit
- During the year ended December 31, 2021, we declared four quarterly distributions aggregating \$8.00 per depositary unit

# Financial Performance

## Net Income (Loss) Attributable to Icahn Enterprises

(\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<u>Operating Segments:</u>				
Energy	(\$15)	(\$54)	(\$5)	(\$194)
Automotive	(121)	(49)	(260)	(198)
Food Packaging	(4)	1	(2)	4
Real Estate	(3)	(12)	(8)	(16)
Home Fashion	1	(5)	(8)	(7)
Pharma	(4)	(1)	(3)	(1)
Metals	167	10	186	-
<b>Operating Segments</b>	<b>21</b>	<b>(110)</b>	<b>(100)</b>	<b>(412)</b>
Investment	(391)	225	(16)	(765)
Holding Company	(26)	31	(402)	(476)
<b>Consolidated</b>	<b>(\$396)</b>	<b>\$146</b>	<b>(\$518)</b>	<b>(\$1,653)</b>

## Adjusted EBITDA Attributable to Icahn Enterprises<sup>(1)</sup>

(\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<u>Operating Segments:</u>				
Energy	\$40	(\$7)	\$231	(\$15)
Automotive	(97)	(3)	(67)	(45)
Food Packaging	7	12	45	48
Real Estate	(3)	8	(1)	28
Home Fashion	2	(2)	-	3
Pharma	3	1	11	1
Metals	7	14	38	20
<b>Operating Segments</b>	<b>(41)</b>	<b>23</b>	<b>257</b>	<b>40</b>
Investment	(369)	248	83	(673)
Holding Company	(33)	152	(67)	(102)
<b>Consolidated</b>	<b>(\$443)</b>	<b>\$423</b>	<b>\$273</b>	<b>(\$735)</b>

(1) Refer to the Adjusted EBITDA reconciliations in the Appendix.

# Segment: Investment

## Segment Description

- IEP invests its proprietary capital through various private investment funds (the “Funds”) managed by the Investment segment
- Fair value of IEP’s investment in the Funds was approximately \$4.2 billion as of December 31, 2021

## Highlights and Recent Developments

- As of December 31, 2021, the Funds had a net short notional exposure of 31% (112% long and 143% short)
- FY 2021 results are -0.3%

## Summary Segment Financial Results






Investment Segment (\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020

### Selected Income Statement Data:

Total revenue	(\$799)	\$544	\$202	(\$1,249)
Adjusted EBITDA <sup>(3)</sup>	(804)	541	186	(1,251)
Net income (loss)	(852)	490	(32)	(1,447)
Adjusted EBITDA attributable to IEP <sup>(3)</sup>	(\$369)	\$248	\$83	(\$673)
Net income (loss) attributable to IEP	(\$391)	\$225	(\$16)	(\$765)
Returns	-8.3%	5.6%	-0.3%	-14.3%

## Significant Holdings

As of December 31, 2021

Company	Mkt. Value (\$mm) <sup>(1)</sup>	% Ownership <sup>(2)</sup>
 CHENIERE	\$1,640	6.4%
 OXY	\$1,305	4.8%
 BAUSCH Health	\$959	9.7%
 newell BRANDS	\$955	10.3%
 FirstEnergy	\$789	3.5%

(1) Based on closing share price as of specified date.

(2) Total economic ownership as a percentage of common shares issued and outstanding.

(3) Refer to the Adjusted EBITDA reconciliations in the Appendix.

# Segment: Energy

## Segment Description

- CVR Energy, Inc. (NYSE: CVI) is a diversified holding company primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing businesses through its interests in CVR Refining, LP and CVR Partners, LP (NYSE: UAN)
- CVR Refining is an independent petroleum refiner and marketer of high-value transportation fuels in the mid-continent of the United States
- CVR Partners is a manufacturer of ammonia and urea ammonium nitrate solution fertilizer products

## Summary Segment Financial Results

Energy Segment (\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<b>Selected Income Statement Data:</b>				
Net sales	\$2,113	\$1,119	\$7,242	\$3,930
Adjusted EBITDA <sup>(2)</sup>	116	1	462	33
Net income (loss)	16	(91)	29	(327)
Adjusted EBITDA attributable to IEP <sup>(2)</sup>	\$40	(\$7)	\$231	(\$15)
Net income (loss) attributable to IEP	(\$15)	(\$54)	(\$5)	(\$194)
<b>Capital Expenditures</b>	<b>\$36</b>	<b>\$23</b>	<b>\$224</b>	<b>\$124</b>

## Highlights and Recent Developments

### • CVR Energy Q4 2021 Highlights

- Net sales increased by \$994 million (89%) to \$2.1 billion
- Adjusted EBITDA attributable to Icahn Enterprises at our energy segment increased by \$47 million to \$40 million for Q4 2021 compared to a loss of \$7 million in the prior-year period.
- Focused on decarbonization through a comprehensive restructuring plan to segregate renewable operations which is expected to be executed in 2022

### • Petroleum Q4 2021 Results

- EBITDA of \$27 million compared to negative EBITDA of \$66 million in Q4 2020<sup>(1)</sup>
- Q4 2021 total throughput was approximately 222k bpd
- Refining margin per throughput barrel was \$7.13 compared to \$1.32 during Q4 2020
- Improved market demand for refined products and a higher crack spread during Q4 2021 primarily drove the increase in refining margin as compared to Q4 2020

### • Nitrogen Fertilizer Q4 2021 Results

- EBITDA of \$93 million compared to \$18 million in Q4 2020<sup>(1)</sup>
- Q4 2021 average realized gate prices for urea ammonia nitrate (“UAN”) and ammonia increased by 150% to \$347 per ton and 179% to \$745 per ton, respectively, when compared to Q4 2020 prices
- CVR Partners declared a fourth quarter 2021 cash distribution of \$5.24 per common unit

(1) Refer to the Petroleum and Nitrogen Fertilizer EBITDA reconciliations in the Appendix.

(2) Refer to the Adjusted EBITDA reconciliations in the Appendix.

# Segment: Automotive

## Segment Description

- We conduct our Automotive segment through our wholly owned subsidiary, Icahn Automotive Group LLC ("Icahn Automotive")
- Icahn Automotive is engaged in the retail and wholesale distribution of automotive parts in the aftermarket as well as providing automotive repair and maintenance services to its customers

## Summary Segment Financial Results

Automotive Segment (\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020

### Selected Income Statement Data:

Net sales and other revenue from operations	\$558	\$596	\$2,384	\$2,478
Adjusted EBITDA <sup>(1)</sup>	(97)	(3)	(67)	(45)
Net income (loss)	(121)	(49)	(260)	(198)
<b>Capital Expenditures</b>	<b>\$15</b>	<b>\$10</b>	<b>\$48</b>	<b>\$35</b>

## Highlights and Recent Developments

- **Icahn Automotive**
  - Adjusted EBITDA was negative \$97 million for Q4 2021 versus negative \$3 million for Q4 2020
  - Q4 2021 transformation losses of \$34 million and inventory write-down of \$56 million
- **Automotive Services**
  - Q4 2021 revenues increased by 12% compared to the respective same fiscal periods in prior year
  - Management prioritized sourcing initiatives and continued to complete purchase contracts with key vendors
  - Management is actively securing external tenants for underutilized owned and ground-leased assets.
- **Automotive Parts**
  - Signed contracts with Amazon and Walmart to grow Ecommerce sales during 2021
  - Management continues to see gross margin improvements due to increased pricing
  - Operational restructuring focused on consolidating our DC footprint and rebalancing our inventory

(1) Refer to the Adjusted EBITDA reconciliations in the Appendix.

# Segment: Food Packaging

## Segment Description

- Viskase Companies, Inc (OTCPK:VKSC) is a worldwide leader in the production and sale of cellulosic, fibrous and plastic casings for the processed meat and poultry industry.
- Leading worldwide manufacturer of non-edible cellulosic casings for small-diameter meats (hot dogs and sausages)
- Leading manufacturer of non-edible fibrous casings for large-diameter meats (sausages, salami, hams and deli meats)

## Highlights and Recent Developments

- Q4 2021 net sales increased by \$3 million compared to Q4 2020
- Consolidated adjusted EBITDA attributable to IEP was \$7 million for Q4 2021 and \$12 million for Q4 2020
- Viskase has focused on pricing initiatives to counter supply chain disruptions and raw material price inflation

## Summary Segment Financial Results

Food Packaging Segment (\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<b>Selected Income Statement Data:</b>				
Net sales	\$105	\$102	\$416	\$409
Adjusted EBITDA <sup>(1)</sup>	8	14	51	59
Net income (loss)	(4)	1	(2)	4
Adjusted EBITDA attributable to IEP <sup>(1)(2)</sup>	\$7	\$12	\$45	\$48
Net income (loss) attributable to IEP <sup>(2)</sup>	(\$4)	\$1	(\$2)	\$4
<b>Capital Expenditures</b>	<b>\$8</b>	<b>\$9</b>	<b>\$17</b>	<b>\$19</b>

(1) Refer to the Adjusted EBITDA reconciliations in the Appendix.

(2) We increased our ownership in Viskase on October 1, 2020 from 79% to 89%.



# Segment: Real Estate

## Segment Description

- Our Real Estate segment consists primarily of investment properties, the development and sale of single-family homes, and the management of a country club. We also own a hotel and timeshare resort in Aruba and a property in Atlantic City, New Jersey.
- Investment properties consist of office and industrial properties leased to corporate tenants
- Property development focuses on the construction and sale of single-family homes
- Club operations focuses on operating golf and other country club activities

## Highlights and Recent Developments

- Q4 2021 adjusted EBITDA for the real estate segment was negative \$3 million
- The team remains highly focused on increasing occupancy in our commercial and time-share portfolios at key properties
- Revenues attributable to our New Seabury development increased \$16 million year-over-year
- Occupancy in our Aruba property has normalized at 75%

## Summary Segment Financial Results

Real Estate Segment (\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020

### Selected Income Statement Data:

Net sales and other revenue from operations	\$19	\$34	\$93	\$102
Adjusted EBITDA <sup>(1)</sup>	(3)	8	(1)	28
Net income (loss)	(3)	(12)	(8)	(16)
<b>Capital Expenditures</b>	<b>\$5</b>	<b>\$1</b>	<b>\$10</b>	<b>\$11</b>

(1) Refer to the Adjusted EBITDA reconciliations in the Appendix.

# Segment: Home Fashion

## Segment Description

- We conduct our Home Fashion segment through our wholly owned subsidiary, WestPoint Home LLC
- WestPoint Home LLC is engaged in manufacturing, sourcing, marketing, distributing and selling home fashion consumer products
- WestPoint Home owns many of the most well-known brands in home textiles including Martex, Grand Patrician, Luxor and Vellux

## Highlights and Recent Developments

- Adjusted EBITDA was \$2 million for Q4 2021 compared to negative \$2 million for Q4 2020
- Q4 2021 net sales increased by \$6 million compared to Q4 2020
- During 2021, our businesses in Hospitality experienced high demand and sales despite global supply chain disruptions
- Total backlog at the end of 2021 was ~\$29 million.

## Summary Segment Financial Results

Home Fashion Segment (\$Millions)	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<b>Selected Income Statement Data:</b>				
Net sales	\$54	\$48	\$197	\$188
Adjusted EBITDA <sup>(1)</sup>	2	(2)	-	3
Net income (loss)	1	(5)	(8)	(7)
<b>Capital Expenditures</b>	<b>\$1</b>	<b>\$1</b>	<b>\$3</b>	<b>\$5</b>

(1) Refer to the Adjusted EBITDA reconciliations in the Appendix.

# Segment: Pharma

## Segment Description

- We conduct our Pharma segment through our wholly owned subsidiary, Vivus LLC, formerly Vivus, Inc.
- Vivus is a specialty pharmaceutical company with two approved therapies and one product candidate in active clinical development

## Highlights and Recent Developments

- In December 2020, we acquired all of the outstanding common stock of Vivus upon its emergence from bankruptcy. Prior to Vivus' emergence from bankruptcy, we held an investment in all of Vivus' convertible corporate debt securities, as well as all of its other outstanding debt. As a result of this transaction, we consolidate the results of Vivus beginning December 2020.
- Adjusted EBITDA was \$3 million for Q4 2021
- For 2021, Pancreaze and Qsymia experienced script growth of 39% and 14%, respectively, compared to 2020

## Summary Segment Financial Results

Pharma Segment (\$Millions)	Three Months Ended December 31, 2021	Year Ended December 31, 2021
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### Selected Income Statement Data:

Net sales and other revenue from operations	\$17	\$85
Adjusted EBITDA <sup>(1)</sup>	3	11
Net income (loss)	(\$4)	(\$3)
<b>Capital Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>

(1) Refer to the Adjusted EBITDA reconciliations in the Appendix.

# Financial Performance

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## Liquidity Serves as a Competitive Advantage

Our operating subsidiaries and the Holding Company maintain ample liquidity to take advantage of attractive opportunities for their respective businesses

<i>(\$Millions)</i>	As of 12/31/2021
<b>Liquid Assets:</b>	
Holding Company Cash & Cash Equivalents	\$1,707
Holding Company Investment in Investment Funds	4,249
Subsidiaries Cash & Cash Equivalents	614
<b>Total</b>	<b>\$6,570</b>
<b>Subsidiary Revolver Availability:</b>	
Energy	\$396
Food Packaging	19
Home Fashion	8
<b>Total</b>	<b>\$423</b>
<b>Total Liquidity</b>	<b>\$6,993</b>

# IEP Summary Financial Information

## Company's calculation of Indicative Net Asset Value:

(\$Millions)	As of				
	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021
<b>Market-valued Subsidiaries and Investments:</b>					
Holding Company interest in Investment Funds <sup>(1)</sup>	\$ 4,283	\$ 4,675	\$ 4,743	\$ 4,660	\$ 4,271
CVR Energy <sup>(2)</sup>	1,061	1,366	1,279	1,186	1,197
Delek <sup>(2)</sup>	-	-	161	134	105
<b>Other Subsidiaries:</b>					
Viskase <sup>(3)</sup>	285	293	279	266	230
Real Estate Holdings <sup>(1)</sup>	440	443	441	435	472
WestPoint Home <sup>(1)</sup>	141	137	136	132	132
Vivus <sup>(1)</sup>	262	270	267	262	259
Automotive Services <sup>(5)(6)</sup>				763	952
Automotive Parts <sup>(1)(5)</sup>				590	422
Automotive Owned Real Estate Assets <sup>(5)</sup>				1,187	1,187
Icahn Automotive Group <sup>(5)</sup>	1,554	1,558	1,516	2,540	2,561
<b>Sold Investments:</b>					
PSC Metals <sup>(4)</sup>	128	133	141	301	-
Tenneco <sup>(2)</sup>	292	136	-	-	-
Add: Holding Company cash and cash equivalents <sup>(8)</sup>	925	1,134	1,549	1,257	1,707
Less: Holding Company debt <sup>(8)</sup>	(5,811)	(5,805)	(5,811)	(5,810)	(5,810)
Add: Other Holding Company net assets <sup>(7)</sup>	(3)	(40)	(28)	9	(3)
<b>Indicative Net Asset Value</b>	<b>\$ 3,557</b>	<b>\$ 4,300</b>	<b>\$ 4,673</b>	<b>\$ 5,372</b>	<b>\$ 5,121</b>

Note: Refer to next slide for footnotes and additional information.

# IEP Summary Financial Information

## Use of Indicative Net Asset Value Data

The Company uses Indicative Net Asset Value as an additional method for considering the value of the Company's assets, and we believe that this information is more indicative of value than our assets presented in accordance with GAAP. Over the last few years, we have invested significantly in companies in which we have majority control, and we believe the market value of these companies has increased more than is reflected in the change in their GAAP asset value. Only when we sell companies, as exemplified by the sale of PSC Metals, LLC, will our GAAP financial statements capture true market values. Certain of our real estate assets were valued to reflect estimated market values which are substantially different from the GAAP asset values. Please note, however, that the indicative net asset value does not represent the market price at which the depositary units trade or the value that we would realize on a sale of the particular assets, especially those where the value is not based on trading or market value. Accordingly, data regarding Indicative net asset value is of limited use and should not be considered in isolation.

Indicative net asset value does not purport to reflect a valuation of IEP. The calculated Indicative net asset value does not include any value for our Investment Segment other than the fair market value of our investment in the Investment Funds. A valuation is a subjective exercise and Indicative net asset value does not necessarily consider all elements or consider in the adequate proportion the elements that could affect the valuation of IEP. Investors may reasonably differ on what such elements are and their impact on IEP. No representation or assurance, express or implied, is made as to the accuracy and correctness of Indicative net asset value as of these dates or with respect to any future indicative or prospective results which may vary.

### **Footnotes to Company's calculation of Indicative Net Asset Value:**

- (1) Represents equity attributable to us as of each respective date.
- (2) Based on closing share price on each date (or if such date was not a trading day, the immediately preceding trading day) and the number of shares owned by the Holding Company as of each respective date.
- (3) Amounts based on market comparable due to lack of material trading volume, valued at 9.0x Adjusted EBITDA for the twelve months ended as of each respective date.
- (4) Prior to Q3 2021, value represents GAAP equity attributable to us as of each respective date. On October 29, 2021, we announced a definitive agreement to sell PSC Metals, LLC for total consideration of approximately \$290 million (including indebtedness that will be repaid at closing, and subject to customary working capital adjustments). The amount as of September 30, 2021 is based on the anticipated sales price as of September 30, 2021. On December 7, 2021, we closed on the previously announced sale of 100% of the equity interests in PSC Metals. In connection with this sale, we received proceeds of \$323 million and recognized a pretax gain on sale of \$163 million.
- (5) Prior to Q3 2021, our presentation of Indicative Net Asset Value with respect to Icahn Automotive Group ("IAG") was based on the equity attributable to us as of each respective date. IAG has been in the process of implementing a multi-year transformation plan, which includes restructuring of its businesses, including an extensive real-estate optimization project which resulted in closing underperforming retail locations in the majority of 216 owned locations. Given the change in the use of the real estate assets, management determined a change in how Indicative Net Asset Value is estimated would provide a more meaningful measure of the assets' fair-market-value. Management performed a valuation on the owned real-estate with the assistance of third-party consultants to estimate fair-market-value. This analysis utilized property-level market rents, location level profitability, and utilized prevailing cap rates ranging from 5.5% to 6.5%. The valuation assumed that triple net leases are in place for all the locations at rents estimated by management based on market conditions. There is no assurance we would be able to sell the assets on the timeline or at the prices and lease terms we estimate. Different judgments or assumptions would result in different estimates of the value of the real estate assets. Moreover, although we evaluate and provide our Indicative Net Asset Value on a quarterly basis, the estimated values may fluctuate in the interim, so that any actual transaction could result in a higher or lower valuation.
- (6) Prior to Q4 2021, Automotive Services represents equity attributable to us. Starting Q4 2021, Automotive Services is valued based on market comparable using a multiple. As of December 31, 2021, Services is valued at 14.0x Adjusted EBITDA for the trailing twelve months period.
- (7) Holding Company's balance as of each respective date, excluding non-cash deferred tax assets or liabilities. Furthermore, with respect to March 31, 2021, the distribution payable was adjusted to \$27 million, which represents the actual distribution paid subsequent to March 31, 2021.
- (8) Holding Company's balance as of each respective date.

# Adjusted EBITDA Reconciliations

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# Non-GAAP Financial Measures

The Company uses certain non-GAAP financial measures in evaluating its performance. These include non-GAAP EBITDA and Adjusted EBITDA. EBITDA represents earnings from continuing operations before interest expense, income tax (benefit) expense and depreciation and amortization. We define Adjusted EBITDA as EBITDA excluding certain effects of impairment, restructuring costs, certain pension plan expenses, gains/losses on disposition of assets, gains/losses on extinguishment of debt and certain other non-operational charges. We present EBITDA and Adjusted EBITDA on a consolidated basis and on a basis attributable to Icahn Enterprises net of the effects of non-controlling interests. We conduct substantially all of our operations through subsidiaries. The operating results of our subsidiaries may not be sufficient to make distributions to us. In addition, our subsidiaries are not obligated to make funds available to us for payment of our indebtedness, payment of distributions on our depositary units or otherwise, and distributions and intercompany transfers from our subsidiaries to us may be restricted by applicable law or covenants contained in debt agreements and other agreements to which these subsidiaries currently may be subject or into which they may enter into in the future. The terms of any borrowings of our subsidiaries or other entities in which we own equity may restrict dividends, distributions or loans to us.

We believe that providing EBITDA and Adjusted EBITDA to investors has economic substance as these measures provide important supplemental information of our performance to investors and permits investors and management to evaluate the core operating performance of our business without regard to interest, taxes and depreciation and amortization and certain effects of impairment, restructuring costs, certain pension plan expenses, gains/losses on disposition of assets, gains/losses on extinguishment of debt and certain other non-operational charges. Additionally, we believe this information is frequently used by securities analysts, investors and other interested parties in the evaluation of companies that have issued debt. Management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing our operating results, as well as in planning, forecasting and analyzing future periods. Adjusting earnings for these charges allows investors to evaluate our performance from period to period, as well as our peers, without the effects of certain items that may vary depending on accounting methods and the book value of assets. Additionally, EBITDA and Adjusted EBITDA present meaningful measures of performance exclusive of our capital structure and the method by which assets were acquired and financed.

EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for analysis of our results as reported under generally accepted accounting principles in the United States, or U.S. GAAP. For example, EBITDA and Adjusted EBITDA:

- do not reflect our cash expenditures, or future requirements for capital expenditures, or contractual commitments;
- do not reflect changes in, or cash requirements for, our working capital needs; and
- do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments on our debt.

Although depreciation and amortization are non-cash charges, the assets being depreciated or amortized often will have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements. Other companies in the industries in which we operate may calculate EBITDA and Adjusted EBITDA differently than we do, limiting their usefulness as comparative measures. In addition, EBITDA and Adjusted EBITDA do not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations.

EBITDA and Adjusted EBITDA are not measurements of our financial performance under U.S. GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with U.S. GAAP or as alternatives to cash flow from operating activities as a measure of our liquidity. Given these limitations, we rely primarily on our U.S. GAAP results and use EBITDA and Adjusted EBITDA only as a supplemental measure of our financial performance.

## Adjusted EBITDA Reconciliation by Segment – Three Months Ended December 31, 2021

(\$Millions)	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Metals	Holding Company	Consolidated
<b>Adjusted EBITDA:</b>										
Net income (loss)	(\$852)	\$16	(\$121)	(\$4)	(\$3)	\$1	(\$4)	\$167	(\$26)	(\$826)
Interest expense, net	48	24	-	1	-	1	-	-	79	153
Income tax expense (benefit)	-	(14)	(32)	(1)	-	(2)	-	-	(86)	(135)
Depreciation and amortization	-	90	21	7	2	2	7	3	-	132
<b>EBITDA before non-controlling interests</b>	<b>(\$804)</b>	<b>\$116</b>	<b>(\$132)</b>	<b>\$3</b>	<b>(\$1)</b>	<b>\$2</b>	<b>\$3</b>	<b>\$170</b>	<b>(\$33)</b>	<b>(\$676)</b>
Impairment of assets	-	-	-	-	-	-	-	-	-	-
Restructuring costs	-	-	-	1	-	-	-	-	-	1
(Gain) loss on disposition of assets, net	-	-	1	-	(3)	-	-	(163)	-	(165)
Transformation losses	-	-	34	-	-	-	-	-	-	34
Other	-	-	-	4	1	-	-	-	-	5
<b>Adj. EBITDA before non-controlling interests</b>	<b>(\$804)</b>	<b>\$116</b>	<b>(\$97)</b>	<b>\$8</b>	<b>(\$3)</b>	<b>\$2</b>	<b>\$3</b>	<b>\$7</b>	<b>(\$33)</b>	<b>(\$801)</b>
<b>Adjusted EBITDA attributable to IEP:</b>										
Net income (loss)	(\$391)	(\$15)	(\$121)	(\$4)	(\$3)	\$1	(\$4)	\$167	(\$26)	(\$396)
Interest expense, net	22	11	-	1	-	1	-	-	79	114
Income tax expense (benefit)	-	(7)	(32)	(1)	-	(2)	-	-	(86)	(128)
Depreciation and amortization	-	51	21	6	2	2	7	3	-	92
<b>EBITDA attributable to IEP</b>	<b>(\$369)</b>	<b>\$40</b>	<b>(\$132)</b>	<b>\$2</b>	<b>(\$1)</b>	<b>\$2</b>	<b>\$3</b>	<b>\$170</b>	<b>(\$33)</b>	<b>(\$318)</b>
Impairment of assets	-	-	-	-	-	-	-	-	-	-
Restructuring costs	-	-	-	1	-	-	-	-	-	1
(Gain) loss on disposition of assets, net	-	-	1	-	(3)	-	-	(163)	-	(165)
Transformation losses	-	-	34	-	-	-	-	-	-	34
Other	-	-	-	4	1	-	-	-	-	5
<b>Adjusted EBITDA attributable to IEP</b>	<b>(\$369)</b>	<b>\$40</b>	<b>(\$97)</b>	<b>\$7</b>	<b>(\$3)</b>	<b>\$2</b>	<b>\$3</b>	<b>\$7</b>	<b>(\$33)</b>	<b>(\$443)</b>

## Adjusted EBITDA Reconciliation by Segment – Three Months Ended December 31, 2020

(\$Millions)	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Metals	Holding Company	Consolidated
<b>Adjusted EBITDA:</b>										
Net income (loss)	\$490	(\$91)	(\$49)	\$1	(\$12)	(\$5)	(\$1)	\$10	\$31	\$374
Interest expense, net	51	32	3	1	-	-	-	-	82	169
Income tax expense (benefit)	-	(27)	(15)	5	-	-	-	-	39	2
Depreciation and amortization	-	87	23	8	4	2	2	5	-	131
<b>EBITDA before non-controlling interests</b>	<b>\$541</b>	<b>\$1</b>	<b>(\$38)</b>	<b>\$15</b>	<b>(\$8)</b>	<b>(\$3)</b>	<b>\$1</b>	<b>\$15</b>	<b>\$152</b>	<b>\$676</b>
Impairment of assets	-	-	-	-	5	-	-	-	-	5
Restructuring costs	-	-	-	1	-	-	-	1	-	2
(Gain) loss on disposition of assets, net	-	-	5	-	12	-	-	-	-	17
Transformation losses	-	-	30	-	-	-	-	-	-	30
Other	-	-	-	(2)	(1)	1	-	(2)	-	(4)
<b>Adj. EBITDA before non-controlling interests</b>	<b>\$541</b>	<b>\$1</b>	<b>(\$3)</b>	<b>\$14</b>	<b>\$8</b>	<b>(\$2)</b>	<b>\$1</b>	<b>\$14</b>	<b>\$152</b>	<b>\$726</b>
<b>Adjusted EBITDA attributable to IEP:</b>										
Net income (loss)	\$225	(\$54)	(\$49)	\$1	(\$12)	(\$5)	(\$1)	\$10	\$31	\$146
Interest expense, net	23	15	3	1	-	-	-	-	82	124
Income tax expense (benefit)	-	(18)	(15)	4	-	-	-	-	39	10
Depreciation and amortization	-	50	23	7	4	2	2	5	-	93
<b>EBITDA attributable to IEP</b>	<b>\$248</b>	<b>(\$7)</b>	<b>(\$38)</b>	<b>\$13</b>	<b>(\$8)</b>	<b>(\$3)</b>	<b>\$1</b>	<b>\$15</b>	<b>\$152</b>	<b>\$373</b>
Impairment of assets	-	-	-	-	5	-	-	-	-	5
Restructuring costs	-	-	-	1	-	-	-	1	-	2
(Gain) loss on disposition of assets, net	-	-	5	-	12	-	-	-	-	17
Transformation losses	-	-	30	-	-	-	-	-	-	30
Other	-	-	-	(2)	(1)	1	-	(2)	-	(4)
<b>Adjusted EBITDA attributable to IEP</b>	<b>\$248</b>	<b>(\$7)</b>	<b>(\$3)</b>	<b>\$12</b>	<b>\$8</b>	<b>(\$2)</b>	<b>\$1</b>	<b>\$14</b>	<b>\$152</b>	<b>\$423</b>

## Adjusted EBITDA Reconciliation by Segment – Twelve Months Ended December 31, 2021

(\$Millions)	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Metals	Holding Company	Consolidated
<b>Adjusted EBITDA:</b>										
Net income (loss)	(\$32)	\$29	(\$260)	(\$2)	(\$8)	(\$8)	(\$3)	\$186	(\$402)	(\$500)
Interest expense, net	218	109	7	6	-	2	-	1	318	661
Income tax expense (benefit)	-	(27)	(72)	4	-	(2)	-	-	19	(78)
Depreciation and amortization	-	343	87	28	9	7	28	14	1	517
<b>EBITDA before non-controlling interests</b>	<b>\$186</b>	<b>\$454</b>	<b>(\$238)</b>	<b>\$36</b>	<b>\$1</b>	<b>(\$1)</b>	<b>\$25</b>	<b>\$201</b>	<b>(\$64)</b>	<b>\$600</b>
Impairment of assets	-	-	-	-	-	-	-	-	-	-
Restructuring costs	-	-	-	1	-	-	-	-	-	1
(Gain) loss on disposition of assets, net	-	-	22	-	(3)	-	-	(163)	-	(144)
Transformation losses	-	-	149	-	-	-	-	-	-	149
Other	-	8	-	14	1	1	(14)	-	(3)	7
<b>Adj. EBITDA before non-controlling interests</b>	<b>\$186</b>	<b>\$462</b>	<b>(\$67)</b>	<b>\$51</b>	<b>(\$1)</b>	<b>\$0</b>	<b>\$11</b>	<b>\$38</b>	<b>(\$67)</b>	<b>\$613</b>
<b>Adjusted EBITDA attributable to IEP:</b>										
Net income (loss)	(\$16)	(\$5)	(\$260)	(\$2)	(\$8)	(\$8)	(\$3)	\$186	(\$402)	(\$518)
Interest expense, net	99	48	7	5	-	2	-	1	318	480
Income tax expense (benefit)	-	(14)	(72)	3	-	(2)	-	-	19	(66)
Depreciation and amortization	-	196	87	25	9	7	28	14	1	367
<b>EBITDA attributable to IEP</b>	<b>\$83</b>	<b>\$225</b>	<b>(\$238)</b>	<b>\$31</b>	<b>\$1</b>	<b>(\$1)</b>	<b>\$25</b>	<b>\$201</b>	<b>(\$64)</b>	<b>\$263</b>
Impairment of assets	-	-	-	-	-	-	-	-	-	-
Restructuring costs	-	-	-	1	-	-	-	-	-	1
(Gain) loss on disposition of assets, net	-	-	22	-	(3)	-	-	(163)	-	(144)
Transformation losses	-	-	149	-	-	-	-	-	-	149
Other	-	6	-	13	1	1	(14)	-	(3)	4
<b>Adjusted EBITDA attributable to IEP</b>	<b>\$83</b>	<b>\$231</b>	<b>(\$67)</b>	<b>\$45</b>	<b>(\$1)</b>	<b>\$0</b>	<b>\$11</b>	<b>\$38</b>	<b>(\$67)</b>	<b>\$273</b>

## Adjusted EBITDA Reconciliation by Segment – Twelve Months Ended December 31, 2020

(\$Millions)	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Metals	Holding Company	Consolidated
<b>Adjusted EBITDA:</b>										
Net income (loss)	(\$1,447)	(\$327)	(\$198)	\$4	(\$16)	(\$7)	(\$1)	\$0	(\$476)	(\$2,468)
Interest expense, net	196	121	12	11	-	1	-	1	328	670
Income tax expense (benefit)	-	(112)	(54)	8	-	-	-	-	42	(116)
Depreciation and amortization	-	343	95	27	17	8	2	18	-	510
<b>EBITDA before non-controlling interests</b>	<b>(\$1,251)</b>	<b>\$25</b>	<b>(\$145)</b>	<b>\$50</b>	<b>\$1</b>	<b>\$2</b>	<b>\$1</b>	<b>\$19</b>	<b>(\$106)</b>	<b>(\$1,404)</b>
Impairment of assets	-	-	-	-	7	3	-	1	-	11
Restructuring costs	-	-	-	1	-	-	-	1	-	2
(Gain) loss on disposition of assets, net	-	-	6	-	5	-	-	(1)	-	10
Transformation losses	-	-	94	-	-	-	-	-	-	94
Other	-	8	-	8	15	(2)	-	-	4	33
<b>Adj. EBITDA before non-controlling interests</b>	<b>(\$1,251)</b>	<b>\$33</b>	<b>(\$45)</b>	<b>\$59</b>	<b>\$28</b>	<b>\$3</b>	<b>\$1</b>	<b>\$20</b>	<b>(\$102)</b>	<b>(\$1,254)</b>
<b>Adjusted EBITDA attributable to IEP:</b>										
Net income (loss)	(\$765)	(\$194)	(\$198)	\$4	(\$16)	(\$7)	(\$1)	\$0	(\$476)	(\$1,653)
Interest expense, net	92	56	12	9	-	1	-	1	328	499
Income tax expense (benefit)	-	(74)	(54)	7	-	-	-	-	42	(79)
Depreciation and amortization	-	191	95	22	17	8	2	18	-	353
<b>EBITDA attributable to IEP</b>	<b>(\$673)</b>	<b>(\$21)</b>	<b>(\$145)</b>	<b>\$42</b>	<b>\$1</b>	<b>\$2</b>	<b>\$1</b>	<b>\$19</b>	<b>(\$106)</b>	<b>(\$880)</b>
Impairment of assets	-	-	-	-	7	3	-	1	-	11
Restructuring costs	-	-	-	1	-	-	-	1	-	2
(Gain) loss on disposition of assets, net	-	-	6	-	5	-	-	(1)	-	10
Transformation losses	-	-	94	-	-	-	-	-	-	94
Other	-	6	-	5	15	(2)	-	-	4	28
<b>Adjusted EBITDA attributable to IEP</b>	<b>(\$673)</b>	<b>(\$15)</b>	<b>(\$45)</b>	<b>\$48</b>	<b>\$28</b>	<b>\$3</b>	<b>\$1</b>	<b>\$20</b>	<b>(\$102)</b>	<b>(\$735)</b>

## Energy Segment EBITDA Reconciliations for Petroleum and Nitrogen Fertilizer

(\$Millions)	Petroleum		Nitrogen Fertilizer	
	Three Months Ended December 31,		Three Months Ended December 31,	
	2021	2020	2021	2020
Net income (loss)	(\$19)	(\$114)	\$61	(\$17)
Interest expense, net	(5)	(3)	11	16
Depreciation and amortization	51	51	21	19
<b>EBITDA</b>	<b>\$27</b>	<b>(\$66)</b>	<b>\$93</b>	<b>\$18</b>