

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM 10-Q**

(Mark one)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the Quarterly Period Ended September 30, 2020**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the Transition Period from to**

(Commission File Number)	(Exact Name of Registrant as Specified in Its Charter) (Address of Principal Executive Offices) (Zip Code) (Telephone Number)	(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
1-9516	<b>ICAHN ENTERPRISES L.P.</b>	<b>Delaware</b>	<b>13-3398766</b>
	<b>16690 Collins Avenue, PH-1 Sunny Isles Beach, FL 33160 (305) 422-4100</b>		
333-118021-01	<b>ICAHN ENTERPRISES HOLDINGS L.P.</b>	<b>Delaware</b>	<b>13-3398767</b>
	<b>16690 Collins Avenue, PH-1 Sunny Isles Beach, FL 33160 (305) 422-4100</b>		

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Depository Units of Icahn Enterprises L.P. Representing Limited Partner Interests	IEP	NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Icahn Enterprises L.P. Yes  No

Icahn Enterprises Holdings L.P. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Icahn Enterprises L.P. Yes  No

Icahn Enterprises Holdings L.P. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act (Check One):

Icahn Enterprises L.P.

Large Accelerated Filer  Accelerated Filer   
 Non-accelerated Filer  Smaller Reporting Company   
 Emerging Growth Company

Icahn Enterprises Holdings L.P.

Large Accelerated Filer  Accelerated Filer   
 Non-accelerated Filer  Smaller Reporting Company   
 Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Icahn Enterprises L.P. Yes  No

Icahn Enterprises Holdings L.P. Yes  No

As of November 6, 2020, there were 232,082,223 of Icahn Enterprises' depository units outstanding.

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## EXPLANATORY NOTE

This Quarterly Report on Form 10-Q (this “Report”) is a joint report being filed by Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P. Each registrant hereto is filing on its own behalf all of the information contained in this Report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

## FORWARD-LOOKING STATEMENTS

This Report contains certain statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or by Public Law 104-67. All statements included in this Report, other than statements that relate solely to historical fact, are “forward-looking statements.” Such statements include, but are not limited to, any statement that may predict, forecast, indicate or imply future results, performance, achievements or events, including the impact of the COVID-19 pandemic, or any statement that may relate to strategies, plans or objectives for, or potential results of, future operations, financial results, financial condition, business prospects, growth strategy or liquidity, and are based upon management’s current plans and beliefs or current estimates of future results or trends. Forward-looking statements can generally be identified by phrases such as “believes,” “expects,” “potential,” “continues,” “may,” “should,” “seeks,” “predicts,” “anticipates,” “intends,” “projects,” “estimates,” “plans,” “could,” “designed,” “should be” and other similar expressions that denote expectations of future or conditional events rather than statements of fact.

Forward-looking statements include certain statements made under the caption, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” under Part I, Item 2 of this Report, but also forward-looking statements that appear in other parts of this Report. Forward-looking statements reflect our current views with respect to future events and are based on certain assumptions and are subject to risks and uncertainties that could cause our actual results to differ materially from trends, plans, or expectations set forth in the forward-looking statements. These include risks related to economic downturns, substantial competition and rising operating costs; risks related to the severity, magnitude and duration of the COVID-19 pandemic and its impact on the global economy, financial markets and industries in which our subsidiaries operate; risks related to our investment activities, including the nature of the investments made by the private funds in which we invest, declines in the fair value of our investments as a result of the COVID-19 pandemic, losses in the private funds and loss of key employees; risks related to our ability to continue to conduct our activities in a manner so as to not be deemed an investment company under the Investment Company Act of 1940, as amended; risks related to our energy business, including the volatility and availability of crude oil, declines in global demand for crude oil, refined products and liquid transportation fuels as result of the COVID-19 pandemic, other feed stocks and refined products, unfavorable refining margin (crack spread), interrupted access to pipelines, significant fluctuations in nitrogen fertilizer demand in the agricultural industry and seasonality of results; risks related to our automotive activities and exposure to adverse conditions in the automotive industry, including as a result of the COVID-19 pandemic; risks related to our food packaging activities, including competition from better capitalized competitors, inability of its suppliers to timely deliver raw materials, and the failure to effectively respond to industry changes in casings technology; risks related to our scrap metals activities, including potential environmental exposure; risks related to our real estate activities, including the extent of any tenant bankruptcies and insolvencies; risks related to our home fashion operations, including changes in the availability and price of raw materials, and changes in transportation costs and delivery times. These risks and uncertainties also include the risks and uncertainties described in our Annual Report on Form 10-K for the year ended December 31, 2019 and in our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2020 and June 30, 2020 and those set forth in this Report, including under the caption “Risk Factors,” under Part II, Item 1A of this Report. Additionally, there may be other factors not presently known to us or which we currently consider to be immaterial that may cause our actual results to differ materially from the forward-looking statements.

**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****ICAHN ENTERPRISES L.P. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

	<b>September 30,</b>	<b>December 31,</b>
	<b>2020</b>	<b>2019</b>
	<small>(In millions, except unit amounts)</small>	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,862	\$ 3,794
Cash held at consolidated affiliated partnerships and restricted cash	2,687	1,151
Investments	6,910	9,945
Due from brokers	1,682	858
Accounts receivable, net	443	483
Inventories, net	1,536	1,795
Property, plant and equipment, net	4,297	4,454
Unrealized gain on derivative contracts	1,439	182
Goodwill	284	282
Intangible assets, net	400	431
Other assets	1,284	1,264
<b>Total Assets</b>	<b>\$ 22,824</b>	<b>\$ 24,639</b>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$ 663	\$ 945
Accrued expenses and other liabilities	1,451	1,453
Deferred tax liability	578	639
Unrealized loss on derivative contracts	172	1,224
Securities sold, not yet purchased, at fair value	970	1,190
Due to brokers	1,971	54
Debt	8,146	8,192
Total liabilities	13,951	13,697
Commitments and contingencies (Note 16)		
Equity:		
Limited partners: Depository units: 232,082,223 units issued and outstanding at September 30, 2020 and 214,078,558 units issued and outstanding at December 31, 2019	4,086	6,268
General partner	(856)	(812)
Equity attributable to Icahn Enterprises	3,230	5,456
Equity attributable to non-controlling interests	5,643	5,486
Total equity	8,873	10,942
<b>Total Liabilities and Equity</b>	<b>\$ 22,824</b>	<b>\$ 24,639</b>

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
(In millions, except per unit amounts)				
<b>Revenues:</b>				
Net sales	\$ 1,764	\$ 2,484	\$ 4,950	\$ 7,371
Other revenues from operations	163	170	460	504
Net loss from investment activities	(1,259)	(657)	(2,152)	(1,968)
Interest and dividend income	46	69	135	192
Gain on disposition of assets, net	7	249	5	256
Other income (loss), net	1	5	(27)	16
	<u>722</u>	<u>2,320</u>	<u>3,371</u>	<u>6,371</u>
<b>Expenses:</b>				
Cost of goods sold	1,599	2,069	4,543	6,098
Other expenses from operations	127	141	369	409
Selling, general and administrative	289	352	888	1,027
Restructuring, net	1	4	8	15
Impairment	1	—	6	1
Interest expense	171	153	517	443
	<u>2,188</u>	<u>2,719</u>	<u>6,331</u>	<u>7,993</u>
Loss before income tax benefit	(1,466)	(399)	(2,960)	(1,622)
Income tax benefit	66	26	118	12
Loss from continuing operations	(1,400)	(373)	(2,842)	(1,610)
Loss from discontinued operations	—	—	—	(24)
Net loss	(1,400)	(373)	(2,842)	(1,634)
Less: net loss attributable to non-controlling interests	(686)	(324)	(1,043)	(693)
Net loss attributable to Icahn Enterprises	<u>\$ (714)</u>	<u>\$ (49)</u>	<u>\$ (1,799)</u>	<u>\$ (941)</u>
<b>Net loss attributable to Icahn Enterprises from:</b>				
Continuing operations	\$ (714)	\$ (49)	\$ (1,799)	\$ (917)
Discontinued operations	—	—	—	(24)
	<u>\$ (714)</u>	<u>\$ (49)</u>	<u>\$ (1,799)</u>	<u>\$ (941)</u>
<b>Net loss attributable to Icahn Enterprises allocated to:</b>				
Limited partners	\$ (700)	\$ (48)	\$ (1,763)	\$ (922)
General partner	(14)	(1)	(36)	(19)
	<u>\$ (714)</u>	<u>\$ (49)</u>	<u>\$ (1,799)</u>	<u>\$ (941)</u>
<b>Basic and diluted loss per LP unit:</b>				
Continuing operations	\$ (3.14)	\$ (0.24)	\$ (8.12)	\$ (4.56)
Discontinued operations	—	—	—	(0.12)
Basic and diluted loss per LP unit	<u>\$ (3.14)</u>	<u>\$ (0.24)</u>	<u>\$ (8.12)</u>	<u>\$ (4.68)</u>
Basic and diluted weighted average LP units outstanding	<u>223</u>	<u>202</u>	<u>217</u>	<u>197</u>
Cash distributions declared per LP unit	<u>\$ 2.00</u>	<u>\$ 2.00</u>	<u>\$ 6.00</u>	<u>\$ 6.00</u>

See notes to condensed consolidated financial statements.

## ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
	(in millions)			
Net loss	\$ (1,400)	\$ (373)	\$ (2,842)	\$ (1,634)
Other comprehensive income (loss), net of tax:				
Translation adjustments	1	(3)	—	(4)
Post-retirement benefits and other	1	(1)	1	1
Other comprehensive income (loss), net of tax	2	(4)	1	(3)
Comprehensive loss	(1,398)	(377)	(2,841)	(1,637)
Less: Comprehensive loss attributable to non-controlling interests	(686)	(325)	(1,042)	(694)
Comprehensive loss attributable to Icahn Enterprises	<u>\$ (712)</u>	<u>\$ (52)</u>	<u>\$ (1,799)</u>	<u>\$ (943)</u>
Comprehensive loss attributable to Icahn Enterprises allocated to:				
Limited partners	\$ (698)	\$ (51)	\$ (1,763)	\$ (924)
General partner	(14)	(1)	(36)	(19)
	<u>\$ (712)</u>	<u>\$ (52)</u>	<u>\$ (1,799)</u>	<u>\$ (943)</u>

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

	Equity Attributable to Icahn Enterprises			Non-controlling Interests	Total Equity
	General Partner's (Deficit) Equity	Limited Partners' Equity	Total Partners' Equity (In millions)		
<b>Balance, December 31, 2019</b>	\$ (812)	\$ 6,268	\$ 5,456	\$ 5,486	\$ 10,942
Net loss	(28)	(1,356)	(1,384)	(922)	(2,306)
Other comprehensive loss	—	(3)	(3)	—	(3)
Partnership distributions payable	(9)	(428)	(437)	—	(437)
Partnership contributions	—	7	7	—	7
Investment segment contributions from non-controlling interests	—	—	—	1,241	1,241
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(23)	(23)
Changes in subsidiary equity and other	—	(4)	(4)	—	(4)
<b>Balance, March 31, 2020</b>	(849)	4,484	3,635	5,782	9,417
Net income	6	293	299	565	864
Other comprehensive income	—	1	1	1	2
Partnership distributions payable reversal	9	428	437	—	437
Partnership distributions	(9)	(452)	(461)	—	(461)
Partnership contributions	—	19	19	—	19
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(13)	(13)
Changes in subsidiary equity and other	1	1	2	(2)	—
<b>Balance, June 30, 2020</b>	(842)	4,774	3,932	6,333	10,265
Net loss	(14)	(700)	(714)	(686)	(1,400)
Other comprehensive income	—	2	2	—	2
Partnership distributions	(1)	(31)	(32)	—	(32)
Partnership contributions	1	34	35	—	35
Changes in subsidiary equity and other	—	7	7	(4)	3
<b>Balance, September 30, 2020</b>	\$ (856)	\$ 4,086	\$ 3,230	\$ 5,643	\$ 8,873

	Equity Attributable to Icahn Enterprises			Non-controlling Interests	Total Equity
	General Partner's (Deficit) Equity	Limited Partners' Equity	Total Partners' Equity (In millions)		
<b>Balance, December 31, 2018</b>	\$ (790)	\$ 7,350	\$ 6,560	\$ 6,420	\$ 12,980
Net loss	(8)	(386)	(394)	(270)	(664)
Partnership distributions payable	(8)	(383)	(391)	—	(391)
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(30)	(30)
Changes in subsidiary equity and other	2	62	64	(307)	(243)
<b>Balance, March 31, 2019</b>	(804)	6,643	5,839	5,813	11,652
Net loss	(10)	(488)	(498)	(99)	(597)
Other comprehensive income	—	1	1	—	1
Partnership distributions payable reversal	8	383	391	—	391
Partnership distributions	(1)	(54)	(55)	—	(55)
Partnership contributions	—	10	10	—	10
Investment segment contributions from non-controlling interests	—	—	—	70	70
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(26)	(26)
Changes in subsidiary equity and other	—	3	3	(3)	—
<b>Balance, June 30, 2019</b>	(807)	6,498	5,691	5,755	11,446
Net loss	(1)	(48)	(49)	(324)	(373)
Other comprehensive loss	—	(3)	(3)	(1)	(4)
Partnership distributions	(1)	(27)	(28)	—	(28)
Partnership contributions	1	24	25	—	25
Investment segment contributions from non-controlling interests	—	—	—	150	150
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(34)	(34)
Changes in subsidiary equity and other	—	(3)	(3)	(31)	(34)
<b>Balance, September 30, 2019</b>	\$ (808)	\$ 6,441	\$ 5,633	\$ 5,515	\$ 11,148

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
	(in millions)	
<b>Cash flows from operating activities:</b>		
Net loss	\$ (2,842)	\$ (1,634)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Loss from discontinued operations	—	24
Net loss from securities transactions	2,777	314
Purchases of securities	(1,480)	(3,885)
Proceeds from sales of securities	3,756	2,133
Payments to cover securities sold, not yet purchased	(2,291)	(451)
Proceeds from securities sold, not yet purchased	1,547	142
Changes in receivables and payables relating to securities transactions	1,080	609
Gain on disposition of assets, net	(5)	(256)
Depreciation and amortization	379	389
Deferred taxes	(59)	(84)
Other, net	79	(1)
Changes in unrealized gains/losses on derivative contracts	(2,309)	800
Changes in other operating assets and liabilities	92	32
<b>Net cash provided by (used in) operating activities</b>	<b>724</b>	<b>(1,868)</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(155)	(195)
Turnaround expenditures	(158)	(24)
Acquisition of businesses, net of cash acquired	(2)	(52)
Purchases of investments	(317)	(50)
Proceeds from sale of investments	55	458
Proceeds from disposition of businesses and assets	23	491
Other, net	3	3
<b>Net cash (used in) provided by investing activities</b>	<b>(551)</b>	<b>631</b>
<b>Cash flows from financing activities:</b>		
Investment segment contributions from non-controlling interests	1	220
Partnership contributions	61	35
Partnership distributions	(493)	(83)
Purchase of additional interests in consolidated subsidiaries	—	(241)
Dividends and distributions to non-controlling interests in subsidiaries	(36)	(90)
Proceeds from Holding Company senior unsecured notes	866	1,757
Repayments of Holding Company senior unsecured notes	(1,350)	(1,700)
Proceeds from subsidiary borrowings	1,644	565
Repayments of subsidiary borrowings	(1,244)	(597)
Other, net	(17)	(3)
<b>Net cash used in financing activities</b>	<b>(568)</b>	<b>(137)</b>
Effect of exchange rate changes on cash and cash equivalents and restricted cash and restricted cash equivalents	(1)	(2)
Add back change in cash and restricted cash of assets held for sale	—	(83)
<b>Net decrease in cash and cash equivalents and restricted cash and restricted cash equivalents</b>	<b>(396)</b>	<b>(1,459)</b>
Cash and cash equivalents and restricted cash and restricted cash equivalents, beginning of period	4,945	5,338
Cash and cash equivalents and restricted cash and restricted cash equivalents, end of period	<b>\$ 4,549</b>	<b>\$ 3,879</b>

See notes to condensed consolidated financial statements.

**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

	<b>September 30,</b>	<b>December 31,</b>
	<b>2020</b>	<b>2019</b>
	(in millions)	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,862	\$ 3,794
Cash held at consolidated affiliated partnerships and restricted cash	2,687	1,151
Investments	6,910	9,945
Due from brokers	1,682	858
Accounts receivable, net	443	483
Inventories, net	1,536	1,795
Property, plant and equipment, net	4,297	4,454
Unrealized gain on derivative contracts	1,439	182
Goodwill	284	282
Intangible assets, net	400	431
Other assets	1,284	1,264
<b>Total Assets</b>	<b>\$ 22,824</b>	<b>\$ 24,639</b>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$ 663	\$ 945
Accrued expenses and other liabilities	1,451	1,453
Deferred tax liability	578	639
Unrealized loss on derivative contracts	172	1,224
Securities sold, not yet purchased, at fair value	970	1,190
Due to brokers	1,971	54
Debt	8,149	8,195
Total liabilities	13,954	13,700
Commitments and contingencies (Note 16)		
Equity:		
Limited partner	4,124	6,328
General partner	(897)	(875)
Equity attributable to Icahn Enterprises Holdings	3,227	5,453
Equity attributable to non-controlling interests	5,643	5,486
Total equity	8,870	10,939
<b>Total Liabilities and Equity</b>	<b>\$ 22,824</b>	<b>\$ 24,639</b>

*See notes to condensed consolidated financial statements.*

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
	(in millions)			
<b>Revenues:</b>				
Net sales	\$ 1,764	\$ 2,484	\$ 4,950	\$ 7,371
Other revenues from operations	163	170	460	504
Net loss from investment activities	(1,259)	(657)	(2,152)	(1,968)
Interest and dividend income	46	69	135	192
Gain on disposition of assets, net	7	249	5	256
Other income (loss), net	1	5	(27)	16
	<u>722</u>	<u>2,320</u>	<u>3,371</u>	<u>6,371</u>
<b>Expenses:</b>				
Cost of goods sold	1,599	2,069	4,543	6,098
Other expenses from operations	127	141	369	409
Selling, general and administrative	289	352	888	1,027
Restructuring, net	1	4	8	15
Impairment	1	—	6	1
Interest expense	171	153	517	442
	<u>2,188</u>	<u>2,719</u>	<u>6,331</u>	<u>7,992</u>
Loss before income tax benefit	(1,466)	(399)	(2,960)	(1,621)
Income tax benefit	66	26	118	12
Loss from continuing operations	(1,400)	(373)	(2,842)	(1,609)
Loss from discontinued operations	—	—	—	(24)
Net loss	(1,400)	(373)	(2,842)	(1,633)
Less: net loss attributable to non-controlling interests	(686)	(324)	(1,043)	(693)
Net loss attributable to Icahn Enterprises Holdings	<u>\$ (714)</u>	<u>\$ (49)</u>	<u>\$ (1,799)</u>	<u>\$ (940)</u>
<b>Net loss attributable to Icahn Enterprises Holdings from:</b>				
Continuing operations	\$ (714)	\$ (49)	\$ (1,799)	\$ (916)
Discontinued operations	—	—	—	(24)
	<u>\$ (714)</u>	<u>\$ (49)</u>	<u>\$ (1,799)</u>	<u>\$ (940)</u>
<b>Net loss attributable to Icahn Enterprises Holdings allocated to:</b>				
Limited partner	\$ (707)	\$ (49)	\$ (1,781)	\$ (931)
General partner	(7)	—	(18)	(9)
	<u>\$ (714)</u>	<u>\$ (49)</u>	<u>\$ (1,799)</u>	<u>\$ (940)</u>

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
	(in millions)			
Net loss	\$ (1,400)	\$ (373)	\$ (2,842)	\$ (1,633)
Other comprehensive income (loss), net of tax:				
Translation adjustments	1	(3)	—	(4)
Post-retirement benefits and other	1	(1)	1	1
Other comprehensive income (loss), net of tax	2	(4)	1	(3)
Comprehensive loss	(1,398)	(377)	(2,841)	(1,636)
Less: Comprehensive loss attributable to non-controlling interests	(686)	(325)	(1,042)	(694)
Comprehensive loss attributable to Icahn Enterprises Holdings	<u>\$ (712)</u>	<u>\$ (52)</u>	<u>\$ (1,799)</u>	<u>\$ (942)</u>
Comprehensive loss attributable to Icahn Enterprises Holdings allocated to:				
Limited partner	\$ (705)	\$ (52)	\$ (1,781)	\$ (933)
General partner	(7)	—	(18)	(9)
	<u>\$ (712)</u>	<u>\$ (52)</u>	<u>\$ (1,799)</u>	<u>\$ (942)</u>

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

	Equity Attributable to Icahn Enterprises Holdings			Non-controlling Interests	Total Equity
	General Partner's (Deficit) Equity	Limited Partner's Equity	Total Partners' Equity (In millions)		
<b>Balance, December 31, 2019</b>	\$ (875)	\$ 6,328	\$ 5,453	\$ 5,486	\$ 10,939
Net loss	(14)	(1,370)	(1,384)	(922)	(2,306)
Other comprehensive loss	—	(3)	(3)	—	(3)
Partnership distributions payable	(4)	(433)	(437)	—	(437)
Partnership contributions	—	7	7	—	7
Investment segment contributions from non-controlling interests	—	—	—	1,241	1,241
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(23)	(23)
Changes in subsidiary equity and other	—	(4)	(4)	—	(4)
<b>Balance, March 31, 2020</b>	(893)	4,525	3,632	5,782	9,414
Net income	3	296	299	565	864
Other comprehensive income	—	1	1	1	2
Partnership distributions payable reversal	4	433	437	—	437
Partnership distributions	(5)	(456)	(461)	—	(461)
Partnership contributions	—	19	19	—	19
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(13)	(13)
Changes in subsidiary equity and other	1	1	2	(2)	—
<b>Balance, June 30, 2020</b>	(890)	4,819	3,929	6,333	10,262
Net loss	(7)	(707)	(714)	(686)	(1,400)
Other comprehensive income	—	2	2	—	2
Partnership distributions	—	(32)	(32)	—	(32)
Partnership contributions	—	35	35	—	35
Changes in subsidiary equity and other	—	7	7	(4)	3
<b>Balance, September 30, 2020</b>	<u>\$ (897)</u>	<u>\$ 4,124</u>	<u>\$ 3,227</u>	<u>\$ 5,643</u>	<u>\$ 8,870</u>

	Equity Attributable to Icahn Enterprises Holdings			Non-controlling Interests	Total Equity
	General Partner's (Deficit) Equity	Limited Partner's Equity	Total Partners' Equity (In millions)		
<b>Balance, December 31, 2018</b>	\$ (864)	\$ 7,452	\$ 6,588	\$ 6,420	\$ 13,008
Net loss	(4)	(390)	(394)	(270)	(664)
Partnership distributions payable	(4)	(387)	(391)	—	(391)
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(30)	(30)
Changes in subsidiary equity and other	1	63	64	(307)	(243)
<b>Balance, March 31, 2019</b>	(871)	6,738	5,867	5,813	11,680
Net loss	(5)	(492)	(497)	(99)	(596)
Other comprehensive income	—	1	1	—	1
Partnership distributions payable reversal	4	387	391	—	391
Partnership distributions	(1)	(54)	(55)	—	(55)
Partnership contributions	—	10	10	—	10
Investment segment contributions from non-controlling interests	—	—	—	70	70
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(26)	(26)
Changes in subsidiary equity and other	1	2	3	(3)	—
<b>Balance, June 30, 2019</b>	(872)	6,592	5,720	5,755	11,475
Net loss	—	(49)	(49)	(324)	(373)
Other comprehensive loss	—	(3)	(3)	(1)	(4)
Partnership distributions	(1)	(59)	(60)	—	(60)
Partnership contributions	—	25	25	—	25
Investment segment contributions from non-controlling interests	—	—	—	150	150
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(34)	(34)
Changes in subsidiary equity and other	—	(3)	(3)	(31)	(34)
<b>Balance, September 30, 2019</b>	<u>\$ (873)</u>	<u>\$ 6,503</u>	<u>\$ 5,630</u>	<u>\$ 5,515</u>	<u>\$ 11,145</u>

See notes to condensed consolidated financial statements.

**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

	<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
	(in millions)	
<b>Cash flows from operating activities:</b>		
Net loss	\$ (2,842)	\$ (1,633)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Loss from discontinued operations	—	24
Net loss from securities transactions	2,777	314
Purchases of securities	(1,480)	(3,885)
Proceeds from sales of securities	3,756	2,133
Payments to cover securities sold, not yet purchased	(2,291)	(451)
Proceeds from securities sold, not yet purchased	1,547	142
Changes in receivables and payables relating to securities transactions	1,080	609
Gain on disposition of assets, net	(5)	(256)
Depreciation and amortization	379	389
Deferred taxes	(59)	(84)
Other, net	79	(2)
Changes in unrealized gains/losses on derivative contracts	(2,309)	800
Changes in other operating assets and liabilities	92	32
<b>Net cash provided by (used in) operating activities</b>	<b>724</b>	<b>(1,868)</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(155)	(195)
Turnaround expenditures	(158)	(24)
Acquisition of businesses, net of cash acquired	(2)	(52)
Purchases of investments	(317)	(50)
Proceeds from sale of investments	55	458
Proceeds from disposition of businesses and assets	23	491
Other, net	3	3
<b>Net cash (used in) provided by investing activities</b>	<b>(551)</b>	<b>631</b>
<b>Cash flows from financing activities:</b>		
Investment segment contributions from non-controlling interests	1	220
Partnership contributions	61	35
Partnership distributions	(493)	(83)
Purchase of additional interests in consolidated subsidiaries	—	(241)
Dividends and distributions to non-controlling interests in subsidiaries	(36)	(90)
Proceeds from Holding Company senior unsecured notes	866	1,757
Repayments of Holding Company senior unsecured notes	(1,350)	(1,700)
Proceeds from subsidiary borrowings	1,644	565
Repayments of subsidiary borrowings	(1,244)	(597)
Other, net	(17)	(3)
<b>Net cash used in financing activities</b>	<b>(568)</b>	<b>(137)</b>
Effect of exchange rate changes on cash and cash equivalents and restricted cash and restricted cash equivalents	(1)	(2)
Add back change in cash and restricted cash of assets held for sale	—	(83)
<b>Net decrease in cash and cash equivalents and restricted cash and restricted cash equivalents</b>	<b>(396)</b>	<b>(1,459)</b>
Cash and cash equivalents and restricted cash and restricted cash equivalents, beginning of period	4,945	5,338
Cash and cash equivalents and restricted cash and restricted cash equivalents, end of period	<b>\$ 4,549</b>	<b>\$ 3,879</b>

*See notes to condensed consolidated financial statements.*

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**  
**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**1. Description of Business**

***Overview***

Icahn Enterprises L.P. (“Icahn Enterprises”) is a master limited partnership formed in Delaware on February 17, 1987. Icahn Enterprises Holdings L.P. (“Icahn Enterprises Holdings”) is a limited partnership formed in Delaware on February 17, 1987. References to “we,” “our” or “us” herein include both Icahn Enterprises and Icahn Enterprises Holdings and their subsidiaries, unless the context otherwise requires.

Icahn Enterprises owns a 99% limited partner interest in Icahn Enterprises Holdings. Icahn Enterprises G.P. Inc. (“Icahn Enterprises GP”), which is owned and controlled by Mr. Carl C. Icahn, owns a 1% general partner interest in each of Icahn Enterprises and Icahn Enterprises Holdings as of September 30, 2020. Icahn Enterprises Holdings and its subsidiaries own substantially all of our assets and liabilities and conduct substantially all of our operations. Therefore, the financial results of Icahn Enterprises and Icahn Enterprises Holdings are substantially the same, with differences relating primarily to the allocation of the general partner interest, which is reflected as an aggregate 1.99% general partner interest in the financial statements of Icahn Enterprises. In addition to the above, Mr. Icahn and his affiliates owned approximately 92.0% of Icahn Enterprises’ outstanding depository units as of September 30, 2020.

***Description of Continuing Operating Businesses***

We are a diversified holding company owning subsidiaries currently engaged in the following continuing operating businesses: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate and Home Fashion. We also report the results of our Holding Company, which includes the results of certain subsidiaries of Icahn Enterprises and Icahn Enterprises Holdings (unless otherwise noted), and investment activity and expenses associated with our Holding Company. Our historical results also report the results of our Mining segment, until sold on August 1, 2019. See Note 12, “Segment Reporting,” for a reconciliation of each of our reporting segment’s results of operations to our consolidated results. Certain additional information with respect to our segments is discussed below.

***Investment***

Our Investment segment is comprised of various private investment funds (“Investment Funds”) in which we have general partner interests and through which we invest our proprietary capital. As general partner, we provide investment advisory and certain administrative and back office services to the Investment Funds but do not provide such services to any other entities, individuals or accounts. We and certain of Mr. Icahn’s family members and affiliates are the only investors in the Investment Funds. Interests in the Investment Funds are not offered to outside investors. We had interests in the Investment Funds with a fair value of approximately \$4.1 billion and \$4.3 billion as of September 30, 2020 and December 31, 2019, respectively.

***Energy***

We conduct our Energy segment through our majority owned subsidiary, CVR Energy, Inc. (“CVR Energy”). CVR Energy is a diversified holding company primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing businesses through its holdings in CVR Refining, LP (“CVR Refining”) and CVR Partners, LP (“CVR Partners”), respectively. CVR Refining is an independent petroleum refiner and marketer of high value transportation fuels. CVR Partners produces and markets nitrogen fertilizers in the form of urea ammonium nitrate and ammonia. CVR Energy has a general partner interest in each of CVR Refining and CVR Partners. In addition, CVR Energy is the sole limited partner of CVR Refining and owns approximately 35% of the outstanding common units of CVR Partners as of September 30, 2020. As of September 30, 2020, we owned approximately 70.8% of the total outstanding common stock of CVR Energy.

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**  
**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

On January 29, 2019, CVR Energy, pursuant to the exercise of its right to purchase all of the issued and outstanding common units in CVR Refining, purchased the remaining common units of CVR Refining not already owned by CVR Energy, including the purchase of CVR Refining common units owned directly by us. Prior to this, CVR Energy owned approximately 80.6% of the common units of CVR Refining and we directly owned approximately 3.9% of the common units of CVR Refining. As a result of exercising its purchase right, as of January 29, 2019, CVR Energy owns all of the common units of CVR Refining and we no longer have any direct ownership in CVR Refining. In addition, the common units of CVR Refining have subsequently ceased to be publicly traded or listed on the New York Stock Exchange or any other national securities exchange. The remaining common units of CVR Refining acquired in this transaction were purchased for \$241 million, excluding the amount paid by CVR Energy to us for the common units of CVR Refining directly owned by us.

*Automotive*

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 (“aftermarket parts”) as well as providing automotive repair and maintenance services (“automotive services”) to its customers. Icahn Automotive’s aftermarket parts and automotive services businesses serve different customer channels and have distinct strategies, opportunities and requirements and therefore are operated as two independent operating companies, each with its own Chief Executive Officer and management teams, and both of which are supported by a central shared service group. Our Automotive segment also includes our separate equity method investment in 767 Auto Leasing LLC (“767 Leasing”), a joint venture created by us to purchase vehicles for lease, as described further in Note 3, “Related Party Transactions.” Our investment in 767 Leasing is included as a component of our Automotive segment due to the nature of the joint venture activities.

*Food Packaging*

We conduct our Food Packaging segment through our majority owned subsidiary, Viskase Companies, Inc. (“Viskase”). Viskase is a producer of cellulosic, fibrous and plastic casings used to prepare and package processed meat products. As of September 30, 2020, we owned approximately 78.6% of the total outstanding common stock of Viskase.

In October 2020, Viskase completed an equity private placement whereby we acquired an additional 50,000,000 shares of Viskase common stock for \$100 million. In connection with this transaction, our ownership of Viskase increased to approximately 89.0%.

*Metals*

We conduct our Metals segment through our wholly owned subsidiary, PSC Metals LLC (“PSC Metals”). PSC Metals is principally engaged in the business of collecting, processing and selling ferrous and non-ferrous metals, as well as the processing and distribution of steel pipe and plate products. PSC Metals collects industrial and obsolete scrap metal, processes it into reusable forms and supplies the recycled metals to its customers.

*Real Estate*

Our Real Estate operations consist primarily of rental real estate, property development and associated club activities, and hotel, timeshare and casino operations. Our rental real estate operations consist primarily of office and industrial properties. Our property development operations focus primarily on the construction and sale of single-family homes in subdivisions and planned communities and the acquisition of raw land for residential development. Our property development locations also operate golf and club operations. Our Real Estate segment’s hotel, timeshare and casino operations consist of a resort property in Aruba as well as a casino property in Atlantic City, New Jersey, which ceased operations in 2014 prior to our obtaining control of the property.

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**  
**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

*Home Fashion*

We conduct our Home Fashion segment through our wholly owned subsidiary, WestPoint Home LLC (“WPH”). WPH’s business consists of manufacturing, sourcing, marketing, distributing and selling home fashion consumer products.

*Mining*

We conducted our Mining segment through our majority owned subsidiary, Ferrous Resources Ltd. (“Ferrous Resources”). Ferrous Resources acquired certain rights to iron ore mineral resources in Brazil and developed mining operations and related infrastructure to produce and sell iron ore products to the global steel industry. On August 1, 2019, we closed on the previously announced sale of Ferrous Resources. Our proportionate share of the cash proceeds from the sale, net of adjustments, was \$451 million during the third quarter of 2019. As a result of the sale of Ferrous Resources, our Mining segment recorded a pretax gain on disposition of assets of \$252 million in the third quarter of 2019. Prior to the sale of Ferrous Resources, we owned approximately 77.2% of its total outstanding common stock. Subsequent to the sale, we no longer operate an active Mining segment.

**2. Basis of Presentation and Summary of Significant Accounting Policies**

We conduct and plan to continue to conduct our activities in such a manner as not to be deemed an investment company under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Therefore, no more than 40% of our total assets can be invested in investment securities, as such term is defined in the Investment Company Act. In addition, we do not invest or intend to invest in securities as our primary business. We intend to structure our investments to continue to be taxed as a partnership rather than as a corporation under the applicable publicly traded partnership rules of the Internal Revenue Code, as amended.

Events beyond our control, including significant appreciation or depreciation in the market value of certain of our publicly traded holdings or adverse developments with respect to our ownership of certain of our subsidiaries, could result in our inadvertently becoming an investment company that is required to register under the Investment Company Act. Our sales of Federal-Mogul LLC, Tropicana Entertainment Inc., American Railcar Industries, Inc. and Ferrous Resources in recent years did not result in our being considered an investment company. However, additional transactions involving the sale of certain assets could result in our being considered an investment company. Following such events or transactions, an exemption under the Investment Company Act would provide us up to one year to take steps to avoid becoming classified as an investment company. We expect to take steps to avoid becoming classified as an investment company, but no assurance can be made that we will successfully be able to take the steps necessary to avoid becoming classified as an investment company.

The accompanying condensed consolidated financial statements and related notes should be read in conjunction with our consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2019. The condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission (the “SEC”) related to interim financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) have been condensed or omitted pursuant to such rules and regulations. The financial information contained herein is unaudited; however, management believes all adjustments have been made that are necessary to present fairly the results for the interim periods. All such adjustments are of a normal and recurring nature.

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**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

***Current Economic Conditions***

In March 2020, the World Health Organization categorized COVID-19 as a pandemic and the President of the United States declared the COVID-19 outbreak a national emergency. The COVID-19 pandemic, and actions taken by governments and others in response thereto, has negatively impacted the global economy, financial markets, and the industries in which our subsidiaries operate. Our consolidated results of operations and financial condition have been impacted primarily by the volatility in the fair value of investments held by our Investment segment and the Holding Company (primarily unrealized) as well as declines in the global demand for refined products, especially gasoline and diesel fuels, with respect to our Energy segment. The impact on our businesses has also included the acceleration of selective planned store closures in our Automotive segment, lowering current year forecasts across various segments and recording write-downs to inventories. We believe that the current economic conditions will continue to impact our businesses through at least the remainder of the year. The extent and duration of the impact on our future results of operations, liquidity and financial condition is uncertain and may be significant.

***Principles of Consolidation***

Our condensed consolidated financial statements include the accounts of (i) Icahn Enterprises and Icahn Enterprises Holdings and (ii) the wholly and majority owned subsidiaries of Icahn Enterprises and Icahn Enterprises Holdings, in addition to variable interest entities (“VIEs”) in which we are the primary beneficiary. In evaluating whether we have a controlling financial interest in entities that we consolidate, we consider the following: (1) for voting interest entities, including limited partnerships and similar entities that are not VIEs, we consolidate these entities in which we own a majority of the voting interests; and (2) for VIEs, we consolidate these entities in which we are the primary beneficiary. See below for a discussion of our VIEs. Kick-out rights, which are the rights underlying the limited partners’ ability to dissolve the limited partnership or otherwise remove the general partners, held through voting interests of partnerships and similar entities that are not VIEs are considered the equivalent of the equity interests of corporations that are not VIEs.

Except for our Investment segment and Holding Company, for equity investments in which we own 50% or less but greater than 20%, we generally account for such investments using the equity method. All other equity investments are accounted for at fair value.

***Reclassifications***

Certain reclassifications from the prior year presentation have been made to conform to the current year presentation, which did not have an impact on previously reported net income and equity and are not deemed material.

***Consolidated Variable Interest Entities***

The following is a discussion of variable interest entities in which we are deemed to be the primary beneficiary and in which we therefore consolidate. In addition, as discussed in Note 3, “Related Party Transactions,” we have a variable interest in an entity in which we are not the primary beneficiary and therefore we do not consolidate.

***Icahn Enterprises Holdings***

We determined that Icahn Enterprises Holdings is a VIE because it is a limited partnership that lacks both substantive kick-out and participating rights. Although Icahn Enterprises is not the general partner of Icahn Enterprises Holdings, Icahn Enterprises is deemed to be the primary beneficiary of Icahn Enterprises Holdings principally based on its 99% limited partner interest in Icahn Enterprises Holdings, as well as our related party relationship with the general partner, and therefore continues to consolidate Icahn Enterprises Holdings. The condensed consolidated financial statements of Icahn Enterprises Holdings are included in this Report. The balances with respect to Icahn Enterprises

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Holdings' consolidated VIEs are discussed below, comprising the Investment Funds, CVR Partners and Viskase's joint venture.

#### *Investment*

We determined that each of the Investment Funds are considered VIEs because these limited partnerships lack both substantive kick-out and participating rights. Because we have a general partner interest in each of the Investment Funds and have significant limited partner interests in each of the Investment Funds, coupled with our significant exposure to losses and benefits in each of the Investment Funds, we are the primary beneficiary of each of the Investment Funds and therefore continue to consolidate each of the Investment Funds.

#### *Energy*

CVR Partners is considered a VIE because it is a limited partnership that lacks both substantive kick-out and participating rights. In addition, CVR Energy also concluded that, based upon its general partner's roles and rights in CVR Partners as afforded by CVR Partners' partnership agreement, coupled with its exposure to losses and benefits in CVR Partners through its significant limited partner interest, intercompany credit facilities and services agreements, it is the primary beneficiary of CVR Partners.

#### *Food Packaging*

Viskase holds a variable interest in a joint venture for which Viskase is the primary beneficiary. Viskase's interest in the joint venture includes a 50% equity interest and also relates to the sales, operations, administrative and financial support to the joint venture through providing many of the assets used in its business.

The following table includes balances of assets and liabilities of VIE's included in Icahn Enterprises Holdings' condensed consolidated balance sheets.

	<b>September 30,</b>	<b>December 31,</b>
	<b>2020</b>	<b>2019</b>
	(in millions)	
Cash and cash equivalents	\$ 49	\$ 42
Cash held at consolidated affiliated partnerships and restricted cash	2,650	989
Investments	6,177	9,207
Due from brokers	1,682	858
Accounts receivable, net	20	35
Inventories, net	46	48
Property, plant and equipment, net	1,062	1,123
Unrealized gain on derivative contracts	1,433	182
Intangible assets, net	237	251
Other assets	31	49
Accounts payable	25	25
Accrued expenses and other liabilities	71	98
Unrealized loss on derivative contracts	172	1,215
Securities sold, not yet purchased, at fair value	970	1,190
Due to brokers	1,971	54
Debt	634	633

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***Fair Value of Financial Instruments***

The carrying values of cash and cash equivalents, cash held at consolidated affiliated partnerships and restricted cash, accounts receivable, due from brokers, accounts payable, accrued expenses and other liabilities and due to brokers are deemed to be reasonable estimates of their fair values because of their short-term nature. See Note 4, “Investments,” and Note 5, “Fair Value Measurements,” for a detailed discussion of our investments and other non-financial assets and/or liabilities.

The fair value of our long-term debt is based on the quoted market prices for the same or similar issues or on the current rates offered to us for debt of the same remaining maturities. The carrying value and estimated fair value of our long-term debt as of September 30, 2020 was approximately \$8.1 billion and \$8.1 billion, respectively. The carrying value and estimated fair value of our long-term debt as of December 31, 2019 was approximately \$8.2 billion and \$7.6 billion, respectively.

***Cash Flow***

Cash and cash equivalents and restricted cash and restricted cash equivalents on our condensed consolidated statements of cash flows is comprised of (i) cash and cash equivalents and (ii) cash held at consolidated affiliated partnerships and restricted cash.

***Cash Held at Consolidated Affiliated Partnerships and Restricted Cash***

Our cash held at consolidated affiliated partnerships balance was \$2,365 million and \$86 million as of September 30, 2020 and December 31, 2019, respectively. Cash held at consolidated affiliated partnerships relates to our Investment segment and consists of cash and cash equivalents held by the Investment Funds that, although not legally restricted, are not available to fund the general liquidity needs of the Investment segment or Icahn Enterprises.

Our restricted cash balance was \$322 million and \$1,065 million as of September 30, 2020 and December 31, 2019, respectively. Restricted cash primarily relates to our Investment segment’s cash pledged and held for margin requirements on derivative transactions.

***Long-Lived Assets***

As of September 30, 2020, our Energy segment had not identified the existence of an impairment indicator for its long-lived asset groups as outlined in U.S. GAAP, as declines in profits are largely due to the economic environment and other external factors which are currently viewed as temporary declines in the market. From a long-term perspective, over the useful life of each asset group, our Energy segment continues to expect positive cash flows and earnings.

***Revenue From Contracts With Customers and Contract Balances***

Due to the nature of our business, we derive revenue from various sources in various industries. With the exception of all of our Investment segment’s and our Holding Company’s revenues, and our Real Estate segment’s leasing revenue, our revenue is generally derived from contracts with customers. Such revenue from contracts with customers is included in net sales and other revenues from operations in the condensed consolidated statements of operations, however, our Real Estate segment’s leasing revenue, as disclosed in Note 9, “Leases,” is also included in other revenues from operations. Related contract assets are included in accounts receivable, net or other assets and related contract liabilities are included in accrued expenses and other liabilities in the condensed consolidated balance sheets. Our disaggregation of revenue information includes our net sales and other revenues from operations for each of our reporting segments as well as additional disaggregation of revenue information for our Energy and Automotive segments. See Note 12, “Segment Reporting,” for our complete disaggregation of revenue information. In addition, we

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disclose additional information with respect to revenue from contracts with customers and contract balances for our Energy and Automotive segments below.

*Energy*

Our Energy segment's deferred revenue is a contract liability that primarily relates to fertilizer sales contracts requiring customer prepayment prior to product delivery to guarantee a price and supply of nitrogen fertilizer. Deferred revenue is recorded at the point in time in which a prepaid contract is legally enforceable and the associated right to consideration is unconditional prior to transferring product to the customer. An associated receivable is recorded for uncollected prepaid contract amounts. Contracts requiring prepayment are generally short-term in nature and, as discussed above, revenue is recognized at the point in time in which the customer obtains control of the product. Our Energy segment had deferred revenue of \$12 million and \$28 million as of September 30, 2020 and December 31, 2019, respectively. For the nine months ended September 30, 2020 and 2019, our Energy segment recorded revenue of \$27 million and \$68 million, respectively, with respect to deferred revenue outstanding as of the beginning of each respective period.

As of September 30, 2020, our Energy segment had \$7 million of remaining performance obligations for contracts with an original expected duration of more than one year. Our Energy segment expects to recognize approximately \$1 million of these performance obligations as revenue by the end of 2020 and the remaining balance thereafter.

*Automotive*

Our Automotive segment has deferred revenue with respect to extended warranty plans of \$41 million and \$42 million as of September 30, 2020 and December 31, 2019, respectively, which are included in accrued expenses and other liabilities on the condensed consolidated balance sheets. For the nine months ended September 30, 2020 and 2019, our Automotive segment recorded revenue of \$19 million and \$17 million, respectively, with respect to deferred revenue outstanding as of the beginning of each respective period, and which includes \$6 million and \$5 million recognized during the three months ended September 30, 2020 and 2019, respectively.

***Adoption of New Accounting Standards***

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, which amends FASB ASC Topic 326, *Financial Instruments - Credit Losses*. In addition, in May 2019, the FASB issued ASU 2019-05, *Targeted Transition Relief*, which updates FASB ASU 2016-13. These ASUs require financial assets measured at amortized cost to be presented at the net amount to be collected and broadens the information, including forecasted information incorporating more timely information, that an entity must consider in developing its expected credit loss estimate for assets measured. These ASUs are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. We have adopted this standard on January 1, 2020. Most of our financial assets are excluded from the requirements of this standard as they are measured at fair value or are subject to other accounting standards. In addition, certain of our other financial assets are short-term in nature and therefore were not subject to significant credit losses beyond what was previously recorded under prior accounting standards. As a result, the adoption of this standard did not have a significant impact on our condensed consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurements*, which amends FASB ASC Topic 820, *Fair Value Measurements*. This ASU eliminates, modifies and adds various disclosure requirements for fair value measurements. This ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Certain disclosures are required to be applied using a retrospective approach and others using a prospective approach. We have adopted this standard on January 1, 2020. The various disclosure requirements being eliminated, modified or added are not significant to us. As a result, the adoption of this standard did not have a significant impact on our condensed consolidated financial statements.

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In August 2018, the FASB issued ASU 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*, which amends FASB ASC Subtopic 350-40, *Intangibles-Goodwill and Other-Internal-Use Software*. This ASU adds certain disclosure requirements related to implementation costs incurred for internal-use software and cloud computing arrangements. The amendment aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license). This ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The amendments in this ASU should be applied either using a retrospective or prospective approach. We have adopted this standard on January 1, 2020 prospectively. The adoption of this standard did not have a significant impact on our condensed consolidated financial statements.

**Recently Issued Accounting Standards**

In December 2019, the FASB issued ASU 2019-12, *Simplifying the Accounting for Income Taxes*, which amends FASB ASC Topic 740, *Income Taxes*. This ASU simplifies the accounting for income taxes by removing certain exceptions to the general principles in the standard and modifies other areas of the standard to clarify the application of U.S. GAAP. This ASU is effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Certain amendments in this ASU should be applied using a retrospective approach and others using the prospective approach. Early adoption is permitted. We currently do not anticipate this standard to have a significant impact on our condensed consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which amends FASB ASC Topic 848, *Reference Rate Reform*. By the end of 2021, banks will no longer be required to report information that is used to determine London Interbank Offered Rate ("LIBOR") which is used globally by all types of entities for various types of transactions. As a result, LIBOR could be discontinued, as well as other interest rates used globally. This ASU provides companies with optional expedients for contract modifications under U.S. GAAP, excluded components of certain hedging relationships, fair value hedges, and cash flow hedges, as well as certain exceptions, which are intended to help ease the potential accounting burden associated with transitioning away from these reference rates. Companies can apply this ASU immediately and will only be available for a limited time (generally through December 31, 2022). We are currently assessing the impact of this standard on our condensed consolidated financial statements.

**3. Related Party Transactions**

Our second amended and restated agreement of limited partnership expressly permits us to enter into transactions with our general partner or any of its affiliates, including buying or selling properties from or to our general partner and any of its affiliates and borrowing and lending money from or to our general partner and any of its affiliates, subject to limitations contained in our partnership agreement and the Delaware Revised Uniform Limited Partnership Act. The indentures governing our indebtedness contain certain covenants applicable to transactions with affiliates.

**Investment Funds**

During the nine months ended September 30, 2020, Mr. Icahn and his affiliates (excluding us) contributed \$1,241 million to the Investment Funds consisting primarily of in-kind investments previously held directly by Mr. Icahn and his affiliates (excluding us). During the three and nine months ended September 30, 2019, Mr. Icahn and his affiliates (excluding us) invested \$150 million and \$220 million, respectively, in the Investment Funds. As of September 30, 2020 and December 31, 2019, the total fair market value of investments in the Investment Funds made by Mr. Icahn and his affiliates (excluding us) was approximately \$4.8 billion and \$4.5 billion, respectively, representing approximately 54% and 51% of the Investment Funds' assets under management as of each respective date.

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We pay for expenses pertaining to the operation, administration and investment activities of our Investment segment for the benefit of the Investment Funds (including salaries, benefits and rent). Effective April 1, 2011, based on an expense-sharing arrangement, certain expenses borne by us are reimbursed by the Investment Funds. For the three months ended September 30, 2020 and 2019, \$2 million and \$4 million, respectively, was allocated to the Investment Funds based on this expense-sharing arrangement and for the nine months ended September 30, 2020 and 2019, such allocation was \$(1) million and \$6 million, respectively. For the nine months ended September 30, 2020, the allocation was reduced by \$8 million relating to certain compensation arrangements.

***Hertz Global Holdings, Inc. and 767 Auto Leasing LLC***

As discussed in Note 4, “Investments,” the Investment Funds had an investment in the common stock of Hertz Global Holdings, Inc. (“Hertz”) measured at fair value that would have otherwise been subject to the equity method of accounting (until sold in the second quarter of 2020). Icahn Automotive provides services to Hertz in the ordinary course of business. Revenue from Hertz was \$20 million and \$40 million, for the nine months ended September 30, 2020 and 2019, respectively.

In addition to our transactions with Hertz disclosed above, in January 2018, we entered into a Master Motor Vehicle Lease and Management Agreement with Hertz, pursuant to which Hertz granted 767 Leasing the option to acquire certain vehicles from Hertz at rates aligned with the rates at which Hertz sells vehicles to third parties. Under this agreement, as amended, Hertz will lease the vehicles that 767 Leasing purchases from Hertz, or from third parties, under a mutually developed fleet plan and Hertz will manage, service, repair, sell and maintain those leased vehicles on behalf of 767 Leasing. Additionally, Hertz will rent the leased vehicles to transportation network company drivers from rental counters within locations leased or owned by us. This agreement had an initial term of 18 months and is subject to automatic six-month renewals thereafter, unless terminated by either party (with or without cause) prior to the start of any such six-month renewal. Our agreement with Hertz was unanimously approved by the independent directors of Icahn Enterprises’ audit committee. Due to the nature of our involvement with 767 Leasing, which includes Icahn Enterprises and Icahn Enterprises Holdings guaranteeing the payment obligations of 767 Leasing and sharing in the profits of 767 Leasing with Hertz, we determined that 767 Leasing is a variable interest entity. Furthermore, we determined that we are not the primary beneficiary as we do not have the power to direct the activities of 767 Leasing that most significantly impact its economic performance. Therefore, we do not consolidate the results of 767 Leasing. Our exposure to loss with respect to 767 Leasing is primarily limited to our direct investment in 767 Leasing as well as any payment obligations of 767 Leasing that we guarantee, which are not material as of September 30, 2020 and December 31, 2019. As of September 30, 2020 and December 31, 2019, 767 Leasing had total assets of \$58 million and \$121 million, respectively, and total liabilities of \$0 million and \$1 million, respectively, which represents a payable to Icahn Automotive in connection with a shared services agreement. For each of the three and nine months ended September 30, 2020, 767 Leasing distributed \$55 million to us. For the three and nine months ended September 30, 2019, we invested \$5 million and \$50 million, respectively, in 767 Leasing. For the three months ended September 30, 2020 and 2019, we had equity (losses) earnings from our investment in 767 Leasing of \$(1) million and \$5 million, respectively. For the nine months ended September 30, 2020 and 2019, we had equity (losses) earnings from our investment in 767 Leasing of \$(6) million and \$8 million, respectively. As of September 30, 2020 and December 31, 2019, we had an equity method investment in 767 Leasing of \$60 million and \$120 million, respectively, which we report in our Automotive segment.

***Insight Portfolio Group LLC***

Insight Portfolio Group LLC (“Insight Portfolio Group”) was an entity formed and controlled by Mr. Icahn in order to maximize the potential buying power of a group of entities with which Mr. Icahn has a relationship in negotiating with a wide range of suppliers of goods, services and tangible and intangible property at negotiated rates. Icahn Enterprises Holdings had a minority equity interest in Insight Portfolio Group and agreed to pay a portion of Insight Portfolio Group’s operating expenses. In addition to the minority equity interest held by Icahn Enterprises Holdings, certain

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subsidiaries of ours, including CVR Energy, Viskase, PSC Metals and WPH also acquired minority equity interests in Insight Portfolio Group and agreed to pay a portion of Insight Portfolio Group’s operating expenses. A number of other entities with which Mr. Icahn has a relationship also had minority equity interests in Insight Portfolio Group and also agreed to pay certain of Insight Portfolio Group’s operating expenses. Insight Portfolio Group ceased operations effective January 1, 2020. For the nine months ended September 30, 2019, we and certain of our subsidiaries paid certain of Insight Portfolio Group’s operating expenses of \$2 million.

**4. Investments**

**Investment**

Investments and securities sold, not yet purchased consist of equities, bonds, bank debt and other corporate obligations, all of which are reported at fair value in our condensed consolidated balance sheets. These investments are considered trading securities. In addition, our Investment segment has certain derivative transactions which are discussed in Note 6, “Financial Instruments.” The carrying value and detail by security type, including business sector for equity securities, with respect to investments and securities sold, not yet purchased held by our Investment segment consist of the following:

	<b>September 30,</b>	<b>December 31,</b>
	<b>2020</b>	<b>2019</b>
	(in millions)	
<b>Assets</b>		
Investments:		
Equity securities:		
Basic materials	\$ —	\$ 281
Consumer, non-cyclical	1,136	2,085
Consumer, cyclical	1,776	2,427
Energy	1,884	1,717
Technology	1,207	2,425
Industrial	74	127
	<u>6,077</u>	<u>9,062</u>
Corporate debt securities	100	145
	<u>\$ 6,177</u>	<u>\$ 9,207</u>
<b>Liabilities</b>		
Securities sold, not yet purchased, at fair value:		
Equity securities:		
Basic materials	\$ —	\$ 209
Consumer, non-cyclical	254	29
Consumer, cyclical	450	379
Energy	266	124
Financial	—	152
Technology	—	217
Communication	—	80
	<u>\$ 970</u>	<u>\$ 1,190</u>

The portion of unrealized gains (losses) that relates to securities still held by our Investment segment, primarily equity securities, was \$(535) million and \$(513) million for the three months ended September 30, 2020 and 2019, respectively, and \$(1,560) million and \$(99) million for nine months ended September 30, 2020 and 2019, respectively.

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After considering specific facts and circumstances, including the collective ownership in entities by the Investment Funds and affiliates of Mr. Icahn, as well as their collective representation on each of the boards of directors, we have determined that we had the ability to exercise significant influence over the operating and financial policies of certain investees below. The following table summarizes our direct ownership in such investees as well as certain financial information with respect to such investees in our condensed consolidated financial statements.

	Voting Interests	Fair Value of Investment		Gains (Losses) Recognized in Income				
				Three Months Ended		Nine Months Ended		
				September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	
		September 30, 2020	September 30, 2020	December 31, 2019	(in millions)		September 30, 2020	September 30, 2019
Herbalife Nutrition Ltd.	15.5%	\$ 957	\$ 1,343	\$ 90	\$ (138)	\$ 132	\$ (594)	
Hertz Global Holdings, Inc.	—	—	551	—	(29)	(637)	39	
Caesars Entertainment Corporation	—	—	1,243	31	26	49	301	
		<u>\$ 957</u>	<u>\$ 3,137</u>	<u>\$ 121</u>	<u>\$ (141)</u>	<u>\$ (456)</u>	<u>\$ (254)</u>	

Each of these investees file annual, quarterly and current reports, and proxy and information statements with the SEC. During the second quarter of 2020, the Investment Funds sold their entire investment in Hertz. Prior to the sale of its investment in Hertz, the Investment Funds owned approximately 38.9% of the outstanding common stock of Hertz. During the third quarter of 2020, the Investment Funds sold their entire investment in Caesars Entertainment Corporation (“Caesars”). Prior to the sale of their investment in Caesars, the Investment Funds owned approximately 16.7% of the outstanding common stock of Caesars. Due to the nature of our Investment segment’s operations, the sales of Hertz and Caesars are deemed to be in the ordinary course of business.

In addition, in August 2020, the Investment Funds sold a portion of their interest in Herbalife Nutrition Ltd. (“Herbalife”) pursuant to Herbalife’s “modified Dutch auction” tender offer to purchase its common shares, and as a result, the Investment Funds ceased their ability to exercise significant influence over the operating and financial policies of Herbalife. Prior to this transaction, the Investment Funds owned approximately 23.8% of the outstanding common stock of Herbalife.

The following table contains summarized financial information for Herbalife, which was a significant subsidiary as defined by SEC regulations, as if Herbalife was consolidated in our financial statements during the period in which we possessed the ability to exercise significant influence over their operating and financial policies.

	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
	(in millions)	
Net sales	\$ 2,609	\$ 3,657
Cost of goods sold	518	728
Net income (loss)	161	254
Net income (loss) attributable to shareholders	161	254

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***Other Segments and Holding Company***

With the exception of certain equity method investments at our operating subsidiaries and our Holding Company disclosed in the table below, our investments are measured at fair value in our condensed consolidated balance sheets. The carrying value of investments held by our other segments and our Holding Company consist of the following:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	(in millions)	
Equity method investments	\$ 140	\$ 201
Other investments (measured at fair value)	593	537
	<u>\$ 733</u>	<u>\$ 738</u>

The portion of unrealized gains (losses) that relates to equity securities still held by our other segments and Holding Company was \$(93) million and \$42 million for the three months ended September 30, 2020 and 2019, respectively, and \$(259) million and \$(438) million for the nine months ended September 30, 2020 and 2019, respectively.

**5. Fair Value Measurements**

U.S. GAAP requires enhanced disclosures about investments and non-recurring non-financial assets and liabilities that are measured and reported at fair value and has established a hierarchal disclosure framework that prioritizes and ranks the level of market price observability used in measuring investments or non-financial assets and liabilities at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments and non-financial assets and/or liabilities measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Quoted prices are available in active markets for identical investments and non-financial assets and/or liabilities as of the reporting date.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies where all significant inputs are observable. The inputs and assumptions of our Level 2 investments are derived from market observable sources including reported trades, broker/dealer quotes and other pertinent data.

Level 3 - Pricing inputs are unobservable for the investment and non-financial asset and/or liability and include situations where there is little, if any, market activity for the investment or non-financial asset and/or liability. The inputs into the determination of fair value require significant management judgment or estimation. Fair value is determined using comparable market transactions and other valuation methodologies, adjusted as appropriate for liquidity, credit, market and/or other risk factors.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the investments', non-financial assets' and/or liabilities' level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the investment. Significant transfers, if any, between the levels within the fair value hierarchy are recognized at the beginning of the reporting period when changes in circumstances require such transfers.

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**Assets and Liabilities Measured at Fair Value on a Recurring Basis**

The following table summarizes the valuation of our assets and liabilities by the above fair value hierarchy levels measured on a recurring basis:

	September 30, 2020				December 31, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in millions)							
<b>Assets</b>								
Investments (Note 4)	\$ 6,400	\$ 157	\$ 201	\$ 6,758	\$ 9,448	\$ 281	\$ 3	\$ 9,732
Derivative contracts, at fair value (Note 6)	—	1,439	—	1,439	—	182	—	182
	<u>\$ 6,400</u>	<u>\$ 1,596</u>	<u>\$ 201</u>	<u>\$ 8,197</u>	<u>\$ 9,448</u>	<u>\$ 463</u>	<u>\$ 3</u>	<u>\$ 9,914</u>
<b>Liabilities</b>								
Securities sold, not yet purchased (Note 4)	\$ 970	\$ —	\$ —	\$ 970	\$ 1,190	\$ —	\$ —	\$ 1,190
Derivative contracts, at fair value (Note 6)	—	172	—	172	—	1,224	—	1,224
Other liabilities	—	83	2	85	—	7	6	13
	<u>\$ 970</u>	<u>\$ 255</u>	<u>\$ 2</u>	<u>\$ 1,227</u>	<u>\$ 1,190</u>	<u>\$ 1,231</u>	<u>\$ 6</u>	<u>\$ 2,427</u>

**Assets Measured at Fair Value on a Recurring Basis for Which We Use Level 3 Inputs to Determine Fair Value**

The changes in investments measured at fair value on a recurring basis for which we use Level 3 inputs to determine fair value are as follows:

	Nine Months Ended September 30,	
	2020	2019
	(in millions)	
Balance at January 1	\$ 3	\$ 372
Transfer in from Level 2	136	—
Net gains recognized in income	—	89
Purchases	63	—
Sales	—	(458)
Other	(1)	—
Balance at September 30	<u>\$ 201</u>	<u>\$ 3</u>

During 2020, we transferred a certain debt investment from Level 2 to Level 3 due to the reduction in market observable sources occurring during the period. We determined the fair value of this debt investment based on our expectations of its realization. At the beginning of 2019, we had a certain equity investment which was considered a Level 3 investment due to unobservable market data and was measured at fair value on a recurring basis. We determined the fair value of this investment based on recent market transactions. During the first quarter of 2019, we sold this equity investment in its entirety.

Refer to Note 8, “Goodwill and Intangible Assets, Net,” for discussion of our goodwill impairment considerations.

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**6. Financial Instruments**

***Overview***

*Investment*

In the normal course of business, the Investment Funds may trade various financial instruments and enter into certain investment activities, which may give rise to off-balance-sheet risks, with the objective of capital appreciation or as economic hedges against other securities or the market as a whole. The Investment Funds' investments may include futures, options, swaps and securities sold, not yet purchased. These financial instruments represent future commitments to purchase or sell other financial instruments or to exchange an amount of cash based on the change in an underlying instrument at specific terms at specified future dates. Risks arise with these financial instruments from potential counterparty non-performance and from changes in the market values of underlying instruments.

Credit concentrations may arise from investment activities and may be impacted by changes in economic, industry or political factors. The Investment Funds routinely execute transactions with counterparties in the financial services industry, resulting in credit concentration with respect to the financial services industry. In the ordinary course of business, the Investment Funds may also be subject to a concentration of credit risk to a particular counterparty. The Investment Funds seek to mitigate these risks by actively monitoring exposures, collateral requirements and the creditworthiness of its counterparties.

The Investment Funds have entered into various types of swap contracts with other counterparties. These agreements provide that they are entitled to receive or are obligated to pay in cash an amount equal to the increase or decrease, respectively, in the value of the underlying shares, debt and other instruments that are the subject of the contracts, during the period from inception of the applicable agreement to its expiration. In addition, pursuant to the terms of such agreements, they are entitled to receive or obligated to pay other amounts, including interest, dividends and other distributions made in respect of the underlying shares, debt and other instruments during the specified time frame. They are also required to pay to the counterparty a floating interest rate equal to the product of the notional amount multiplied by an agreed-upon rate, and they receive interest on any cash collateral that they post to the counterparty at the federal funds or LIBOR rate in effect for such period.

The Investment Funds may trade futures contracts. A futures contract is a firm commitment to buy or sell a specified quantity of a standardized amount of a deliverable grade commodity, security, currency or cash at a specified price and specified future date unless the contract is closed before the delivery date. Payments (or variation margin) are made or received by the Investment Funds each day, depending on the daily fluctuations in the value of the contract, and the whole value change is recorded as an unrealized gain or loss by the Investment Funds. When the contract is closed, the Investment Funds record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

The Investment Funds may utilize forward contracts to seek to protect their assets denominated in foreign currencies and precious metals holdings from losses due to fluctuations in foreign exchange rates and spot rates. The Investment Funds' exposure to credit risk associated with non-performance of such forward contracts is limited to the unrealized gains or losses inherent in such contracts, which are recognized in other assets and accrued expenses and other liabilities in our condensed consolidated balance sheets.

The Investment Funds may also enter into foreign currency contracts for purposes other than hedging denominated securities. When entering into a foreign currency forward contract, the Investment Funds agree to receive or deliver a fixed quantity of foreign currency for an agreed-upon price on an agreed-upon future date unless the contract is closed before such date. The Investment Funds record unrealized gains or losses on the contracts as measured by the difference

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between the forward foreign exchange rates at the dates of entry into such contracts and the forward rates at the reporting date.

The Investment Funds may also purchase and write option contracts. As a writer of option contracts, the Investment Funds receive a premium at the outset and then bear the market risk of unfavorable changes in the price of the underlying financial instrument. As a result of writing option contracts, the Investment Funds are obligated to purchase or sell, at the holder's option, the underlying financial instrument. Accordingly, these transactions result in off-balance-sheet risk, as the Investment Funds' satisfaction of the obligations may exceed the amount recognized in our condensed consolidated balance sheets.

Certain terms of the Investment Funds' contracts with derivative counterparties, which are standard and customary to such contracts, contain certain triggering events that would give the counterparties the right to terminate the derivative instruments. In such events, the counterparties to the derivative instruments could request immediate payment on derivative instruments in net liability positions. The aggregate fair value of all of the Investment Funds' derivative instruments with credit-risk-related contingent features that are in a liability position as of September 30, 2020 and December 31, 2019 was \$0 million and \$266 million, respectively.

The following table summarizes the volume of our Investment segment's derivative activities based on their notional exposure, categorized by primary underlying risk:

	<u>September 30, 2020</u>		<u>December 31, 2019</u>	
	<u>Long</u>	<u>Short</u>	<u>Long</u>	<u>Short</u>
	<u>Notional</u>	<u>Notional</u>	<u>Notional</u>	<u>Notional</u>
	<u>Exposure</u>	<u>Exposure</u>	<u>Exposure</u>	<u>Exposure</u>
	(in millions)			
Primary underlying risk:				
Equity contracts	\$ —	\$ 2,022	\$ 806	\$ 13,113
Credit contracts <sup>(1)</sup>	—	2,501	—	622

(1) The short notional amount on our credit default swap positions was approximately \$6.2 billion at September 30, 2020. However, because credit spreads cannot compress below zero, our downside short notional exposure to loss is approximately \$2.5 billion as of September 30, 2020. The short notional amount on our credit default swap positions was approximately \$4.7 billion as of December 31, 2019. However, because credit spreads cannot compress below zero, our downside short notional exposure to loss is \$622 million as of December 31, 2019.

Certain derivative contracts executed by each of the Investment Funds with a single counterparty are reported on a net-by-counterparty basis where a legal right of offset exists under an enforceable netting agreement. Values for the derivative financial instruments, principally swaps, forwards, over-the-counter options and other conditional and exchange contracts, are reported on a net-by-counterparty basis.

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The following table presents the fair values of our Investment segment's derivatives that are not designated as hedging instruments in accordance with U.S. GAAP:

	<b>Asset Derivatives</b>		<b>Liability Derivatives</b>	
	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	(in millions)			
Equity contracts	\$ —	\$ 291	\$ 172	\$ 1,058
Credit contracts	1,433	—	—	266
Sub-total	1,433	291	172	1,324
Netting across contract types <sup>(1)</sup>	—	(109)	—	(109)
<b>Total<sup>(1)</sup></b>	<b>\$ 1,433</b>	<b>\$ 182</b>	<b>\$ 172</b>	<b>\$ 1,215</b>

(1) Excludes netting of cash collateral received and posted. The total collateral posted at September 30, 2020 and December 31, 2019 was \$285 million and \$903 million, respectively, across all counterparties, which are included in cash held at consolidated affiliated partnerships and restricted cash in the condensed consolidated balance sheets.

The following table presents the amount of gain (loss) recognized in the condensed consolidated statements of operations for our Investment segment's derivatives not designated as hedging instruments:

	<b>Gain (Loss) Recognized in Income<sup>(1)</sup></b>			
	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	(in millions)			
Equity contracts	\$ (657)	\$ (213)	\$ (886)	\$ (1,464)
Credit contracts	121	(52)	1,511	(184)
Commodity contracts	—	3	—	(6)
	<b>\$ (536)</b>	<b>\$ (262)</b>	<b>\$ 625</b>	<b>\$ (1,654)</b>

(1) Gains (losses) recognized on derivatives are classified in net gain (loss) from investment activities in our condensed consolidated statements of operations for our Investment segment.

*Energy*

CVR Energy's businesses are subject to price fluctuations caused by supply conditions, weather, economic conditions, interest rate fluctuations and other factors. To manage price risk on crude oil and other inventories and to fix margins on certain future production, CVR Refining from time to time enters into various commodity derivative transactions. CVR Refining holds derivative instruments, such as exchange-traded crude oil futures and over-the-counter forward swap agreements, which it believes provide an economic hedge on future transactions, but such instruments are not designated as hedge instruments. CVR Refining may enter into forward purchase or sale contracts associated with renewable identification numbers ("RINs").

As of September 30, 2020 and December 31, 2019, CVR Refining had open forward purchase and sale commitments for 6 million barrels and 5 million barrels, respectively, of Canadian crude oil priced at fixed differentials that are not considered probable of physical settlement and are accounted for as derivatives. As of September 30, 2020, CVR Refining had open fixed-price commitments to purchase a net 62 million RINs.

Certain derivative contracts executed by our Energy segment with a single counterparty are reported on a net-by-counterparty basis where a legal right of offset exists under an enforceable netting agreement. As of September 30, 2020

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and December 31, 2019, our Energy segment had net asset derivatives of \$6 million and net liability derivatives of \$8 million, respectively. Gains recognized on derivatives for our Energy segment were \$5 million and \$18 million for the three months ended September 30, 2020 and 2019, respectively, and \$70 million and \$38 million for the nine months ended September 30, 2020 and 2019, respectively. Gains recognized on derivatives for our Energy segment are included in cost of goods sold on the condensed consolidated statements of operations.

**7. Inventories, Net**

Inventories, net consists of the following:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	(in millions)	
Raw materials	\$ 169	\$ 206
Work in process	84	94
Finished goods	1,283	1,495
	\$ 1,536	\$ 1,795

During the first quarter of 2020, our Energy segment had inventories, net with a carrying value in excess of net realizable value. As a result, our Energy segment recorded a write-down of its inventories of \$58 million, which is included in cost of goods sold in the condensed consolidated statements of operations for the nine months ended September 30, 2020. The write-down represents the difference between the carrying value of inventories accounted for using the first-in-first-out method and selling prices for refined products subsequent to March 31, 2020.

**8. Goodwill and Intangible Assets, Net**

Goodwill consists of the following:

	<b>September 30, 2020</b>			<b>December 31, 2019</b>		
	<b>Gross Carrying Amount</b>	<b>Accumulated Impairment</b>	<b>Net Carrying Value</b>	<b>Gross Carrying Amount</b>	<b>Accumulated Impairment</b>	<b>Net Carrying Value</b>
	(in millions)					
Automotive	\$ 341	\$ (87)	\$ 254	\$ 336	\$ (87)	\$ 249
Food Packaging	6	—	6	6	—	6
Metals	4	—	4	4	—	4
Home Fashion	23	(3)	20	23	—	23
	\$ 374	\$ (90)	\$ 284	\$ 369	\$ (87)	\$ 282

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Intangible assets, net consists of the following:

	September 30, 2020			December 31, 2019		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
	(in millions)					
<b>Definite-lived intangible assets:</b>						
Customer relationships	\$ 397	\$ (170)	\$ 227	\$ 397	\$ (155)	\$ 242
Other	273	(162)	111	274	(147)	127
	<u>\$ 670</u>	<u>\$ (332)</u>	<u>\$ 338</u>	<u>\$ 671</u>	<u>\$ (302)</u>	<u>\$ 369</u>
<b>Indefinite-lived intangible assets</b>						
			\$ 62			\$ 62
<b>Intangible assets, net</b>			<u>\$ 400</u>			<u>\$ 431</u>

Amortization expense associated with definite-lived intangible assets was \$10 million and \$10 million for the three months ended September 30, 2020 and 2019, respectively, and \$31 million and \$31 million for the nine months ended September 30, 2020 and 2019, respectively. We utilize the straight-line method of amortization, recognized over the estimated useful lives of the assets.

During the first quarter of 2020, due to the COVID-19 pandemic and its impact on our Automotive segment's operations, we performed an interim goodwill impairment analysis. At such time, our Automotive segment had \$249 million of goodwill, all of which was allocated to its Service reporting unit. Based on the interim impairment analysis, we determined that the fair value of our Automotive segment's Service reporting unit was significantly in excess of its carrying value and therefore, no impairment is required.

During the second quarter of 2020, our Home Fashion segment impaired a portion of its goodwill in the amount of \$3 million.

**9. Leases**

*All Segments and Holding Company*

We have operating and finance leases primarily within our Automotive, Energy and Food Packaging segments. Our Automotive segment leases assets, primarily real estate (operating) and vehicles (financing). Our Energy segment leases certain pipelines, storage tanks, railcars, office space, land and equipment (operating and financing). Our Food Packaging segment leases assets, primarily real estate, equipment and vehicles (primarily operating). Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. Right-of-use assets and related liabilities are recorded on the balance sheet for leases with an initial lease term in excess of twelve months and therefore, do not include any lease arrangements with initial lease terms of twelve months or less.

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Right-of-use assets and lease liabilities are as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	(in millions)	
<b>Operating Leases:</b>		
Right-of-use assets (other assets)	\$ 576	\$ 624
Lease liabilities (accrued expenses and other liabilities)	594	647
<b>Financing Leases:</b>		
Right-of-use assets (property, plant and equipment, net)	68	77
Lease liabilities (debt)	83	93

Additional information with respect to our operating leases as of September 30, 2020 and December 31, 2019 is presented below. The lease terms and discount rates for our Energy, Automotive and Food Packaging segments represent weighted averages based on their respective lease liability balances.

<b>Operating Leases as of September 30, 2020</b>	<b>Right-Of-Use Assets</b>	<b>Lease Liabilities</b>	<b>Lease Term</b>	<b>Discount Rate</b>
	(in millions)			
Energy	\$ 42	\$ 41	3.3 years	5.5%
Automotive	454	476	4.7 years	5.7%
Food Packaging	32	36	11.2 years	7.4%
Other segments and Holding Company	48	41		
	<u>\$ 576</u>	<u>\$ 594</u>		

<b>Operating Leases as of December 31, 2019</b>	<b>Right-Of-Use Assets</b>	<b>Lease Liabilities</b>	<b>Lease Term</b>	<b>Discount Rate</b>
	(in millions)			
Energy	\$ 48	\$ 48	3.7 years	5.6%
Automotive	501	527	5.2 years	5.7%
Food Packaging	34	38	11.7 years	7.4%
Other segments and Holding Company	41	34		
	<u>\$ 624</u>	<u>\$ 647</u>		

For the three months ended September 30, 2020 and 2019, lease cost was comprised of (i) operating lease cost of \$52 million and \$48 million, respectively, (ii) amortization of financing lease right-of-use assets of \$3 million and \$4 million, respectively, and (iii) interest expense on financing lease liabilities of \$1 million and \$2 million respectively. For the nine months ended September 30, 2020 and 2019, lease cost was comprised of (i) operating lease cost of \$155 million and \$145 million, respectively, (ii) amortization of financing lease right-of-use assets of \$9 million and \$10 million, respectively, and (iii) interest expense on financing lease liabilities of \$5 million and \$6 million respectively.

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Our Automotive segment accounted for \$129 million and \$122 million of total lease cost for the nine months ended September 30, 2020 and 2019, respectively.

#### *Real Estate*

Our Real Estate segment leases real estate, primarily commercial properties under long-term operating leases. As of September 30, 2020 and December 31, 2019, our Real Estate segment has assets leased to others included in property, plant and equipment of \$223 million and \$222 million, respectively, net of accumulated depreciation. Our Real Estate segment's revenue from operating leases were \$8 million for each of the three months ended September 30, 2020 and 2019, and \$24 million and \$25 million for the nine months ended September 30, 2020 and 2019, respectively. Revenues from operating leases are included in other revenue from operations in the condensed consolidated statements of operations.

#### **10. Debt**

Debt consists of the following:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	(in millions)	
<b>Holding Company:</b>		
5.875% senior unsecured notes due 2022	\$ —	\$ 1,345
6.250% senior unsecured notes due 2022	1,209	1,211
6.750% senior unsecured notes due 2024	499	498
4.750% senior unsecured notes due 2024	1,107	498
6.375% senior unsecured notes due 2025	748	748
6.250% senior unsecured notes due 2026	1,250	1,250
5.250% senior unsecured notes due 2027	999	747
	<u>5,812</u>	<u>6,297</u>
<b>Reporting Segments:</b>		
Energy	1,690	1,195
Automotive	333	405
Food Packaging	258	268
Metals	23	7
Real Estate	2	2
Home Fashion	28	18
	<u>2,334</u>	<u>1,895</u>
Total Debt	<u>\$ 8,146</u>	<u>\$ 8,192</u>

#### **Holding Company**

In January 2020, Icahn Enterprises and Icahn Enterprises Finance Corp. (together the "Issuers") issued \$600 million in aggregate principal amount of 4.750% senior unsecured notes due 2024 (the "New 2024 Notes") and an additional \$250 million in aggregate principal amount of 5.250% senior unsecured notes due 2027 (the "New 2027 Notes," and together with the New 2024 Notes, the "New Notes"). The proceeds from the New Notes, together with cash on hand, were used to repay in full our prior outstanding \$1.35 billion principal amount of 5.875% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses. Interest on the New Notes is payable semi-annually. In connection with these transactions, our Holding Company recorded a loss on extinguishment of debt of \$4 million.

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The New Notes and the related guarantee are the senior unsecured obligations of the Issuers and rank equally with all of the Issuers' and the Guarantor's existing and future senior unsecured indebtedness and senior to all of the Issuers' and the Guarantor's existing and future subordinated indebtedness. The New Notes and the related guarantees are effectively subordinated to the Issuers' and the Guarantor's existing and future secured indebtedness to the extent of the collateral securing such indebtedness. The New Notes and the related guarantees are also effectively subordinated to all indebtedness and other liabilities of the Issuers' subsidiaries other than the Guarantor.

The indentures governing the New Notes restrict the payment of cash distributions, the purchase of equity interests or the purchase, redemption, defeasance or acquisition of debt subordinated to the senior unsecured notes. The indentures also restrict the incurrence of debt or the issuance of disqualified stock, as defined in the indentures, with certain exceptions. In addition, the indentures require that on each quarterly determination date, Icahn Enterprises and the guarantor of the New Notes (currently only Icahn Enterprises Holdings) maintain certain minimum financial ratios, as defined therein. The indentures also restrict the creation of liens, mergers, consolidations and sales of substantially all of our assets, and transactions with affiliates.

**Energy**

In January 2020, CVR Energy issued \$600 million in aggregate principal amount of 5.25% senior unsecured notes due 2025 and \$400 million in aggregate principal amount of 5.75% senior unsecured notes due 2028. A portion of the net proceeds from the issuance of these notes were used to fund the redemption of CVR Refining's existing \$500 million senior unsecured notes due 2022. The remaining net proceeds will be used from CVR Energy's general corporate purposes. In connection with these transactions, our Energy segment recorded a loss on extinguishment of debt of \$8 million.

**Food Packaging**

In October 2020, Viskase entered into a credit agreement providing for a \$150 million term loan and a \$30 million revolving credit facility. The proceeds from the new term loan, plus cash received from Viskase's equity private placement in October 2020, as discussed in Note 1, "Description of Business," were used to repay in full Viskase's existing term loan. The new term loan and credit facility mature in 2023.

**Covenants**

All of our subsidiaries are currently in compliance with all covenants and restrictions as described in the various executed agreements and contracts with respect to each debt instrument. These covenants include limitations on indebtedness, liens, investments, acquisitions, asset sales, dividends and other restricted payments and affiliate and extraordinary transactions.

**Non-Cash Charges to Interest Expense**

The amortization of deferred financing costs and debt discounts and premiums included in interest expense in the condensed consolidated statements of operations were \$2 million and \$1 million for the three months ended September 30, 2020 and 2019, respectively, and \$4 million and \$5 million for the nine months ended September 30, 2020 and 2019, respectively.

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**11. Net Income Per LP Unit**

The components of the computation of basic and diluted income (loss) per LP unit of Icahn Enterprises are as follows:

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	(in millions, except per unit amounts)			
Net loss attributable to Icahn Enterprises from continuing operations	\$ (714)	\$ (49)	\$ (1,799)	\$ (917)
Net loss attributable to Icahn Enterprises from continuing operations allocated to limited partners (98.01% allocation)	\$ (700)	\$ (48)	\$ (1,763)	\$ (899)
Net loss attributable to Icahn Enterprises from discontinued operations allocated to limited partners (98.01% allocation)	\$ —	\$ —	\$ —	\$ (23)
<b>Basic and diluted loss per LP unit:</b>				
Continuing operations	\$ (3.14)	\$ (0.24)	\$ (8.12)	\$ (4.56)
Discontinued operations	—	—	—	(0.12)
Basic and diluted loss per LP unit	\$ (3.14)	\$ (0.24)	\$ (8.12)	\$ (4.68)
Basic and diluted weighted average LP units outstanding	223	202	217	197

**LP Unit Transactions**

*Unit Distributions*

On February 26, 2020, Icahn Enterprises declared a quarterly distribution in the amount of \$2.00 per depositary unit in which each depositary unitholder had the option to make an election to receive either cash or additional depositary units.

On May 7, 2020, Icahn Enterprises declared a quarterly distribution in the amount of \$2.00 per depositary unit in which each depositary unitholder had the option to make an election to receive either cash or additional depositary units.

On August 4, 2020, Icahn Enterprises declared a quarterly distribution in the amount of \$2.00 per depositary unit in which each depositary unitholder had the option to make an election to receive either cash or additional depositary units.

As a result of the above distributions declared, during the nine months ended September 30, 2020, Icahn Enterprises distributed an aggregate 16,885,069 depositary units to unitholders electing to receive depositary units, of which an aggregate of 16,542,180 depositary units were distributed to Mr. Icahn and his affiliates. In connection with these distributions, during the three and nine months ended September 30, 2020, aggregate cash distributions to all depositary unitholders was \$483 million, primarily due to Mr. Icahn and his affiliates' significant ownership of Icahn Enterprises' depositary units.

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*2019 At-The-Market Offering*

On May 2, 2019, Icahn Enterprises announced the commencement of its “at-the-market” offering pursuant to its Open Market Sale Agreement, pursuant to which Icahn Enterprises may sell its depositary units, from time to time, during the term of the program ending on March 31, 2021, for up to \$400 million in aggregate sale proceeds. During the three and nine months ended September 30, 2020, Icahn Enterprises sold 637,352 and 1,118,596 depositary units, respectively, pursuant to this agreement, resulting in gross proceeds of \$34 million and \$60 million, respectively. For the three and nine months ended September 30, 2019, Icahn Enterprises sold 349,699 and 487,223 depositary units resulting in gross proceeds of \$24 million and \$34 million, respectively. As of September 30, 2020, Icahn Enterprises may sell its depositary units for up to an additional \$285 million in aggregate sale proceeds pursuant to this agreement. No assurance can be made that any or all amounts will be sold during the term of the program.

*2017 Incentive Plan*

During the three and nine months ended September 30, 2019, Icahn Enterprises distributed 4,817 and 18,304 depositary units, respectively, net of payroll withholdings, with respect to certain restricted depositary units and deferred unit awards that vested during the period in connection with the Icahn Enterprises L.P. 2017 Long Term Incentive Plan (the “2017 Incentive Plan”). There were no distributions during the three and nine months ended September 30, 2020. The aggregate impact of the 2017 Incentive Plan is not material with respect to our condensed consolidated financial statements, including the calculation of potentially dilutive units and diluted income per LP unit.

**12. Segment Reporting**

We report segment information based on the various industries in which our businesses operate and how we manage those businesses in accordance with our investment strategies, which may include: identifying and acquiring undervalued assets and businesses, often through the purchase of distressed securities; increasing value through management, financial or other operational changes; and managing complex legal, regulatory or financial issues, which may include bankruptcy or insolvency, environmental, zoning, permitting and licensing issues. Therefore, although many of our businesses are operated under separate local management, certain of our businesses are grouped together when they operate within a similar industry, comprising similarities in products, customers, production processes and regulatory environments, and when such businesses, when considered together, may be managed in accordance with one or more investment strategies specific to those businesses. Among other measures, we assess and measure segment operating results based on net income from continuing operations attributable to Icahn Enterprises and Icahn Enterprises Holdings. Certain terms of financings for certain of our businesses impose restrictions on the business’ ability to transfer funds to us, including restrictions on dividends, distributions, loans and other transactions.

**Condensed Statements of Operations**

Icahn Enterprises’ condensed statements of operations by reporting segment are presented below. Icahn Enterprises Holdings’ condensed statements of operations are substantially the same, with immaterial differences relating to our Holding Company’s interest expense.

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	Three Months Ended September 30, 2020									
	Investment	Energy	Automotive	Food Packaging	Metals	Real Estate	Home Fashion	Mining	Holding Company	Consolidated
(in millions)										
<b>Revenues:</b>										
Net sales	\$ —	\$ 1,005	\$ 513	\$ 105	\$ 83	\$ 5	\$ 53	\$ —	\$ —	\$ 1,764
Other revenues from operations	—	—	147	—	—	16	—	—	—	163
Net loss from investment activities	(1,166)	(68)	—	—	—	—	—	—	(25)	(1,259)
Interest and dividend income	38	3	—	—	—	1	—	—	4	46
(Loss) gain on disposition of assets, net	—	—	(1)	—	1	7	—	—	—	7
Other (loss) income, net	(2)	3	(1)	—	1	—	—	—	—	1
	<u>(1,130)</u>	<u>943</u>	<u>658</u>	<u>105</u>	<u>85</u>	<u>29</u>	<u>53</u>	<u>—</u>	<u>(21)</u>	<u>722</u>
<b>Expenses:</b>										
Cost of goods sold	—	1,040	351	84	78	4	42	—	—	1,599
Other expenses from operations	—	—	115	—	—	12	—	—	—	127
Selling, general and administrative	2	27	223	13	3	5	10	—	6	289
Restructuring, net	—	—	1	—	—	—	—	—	—	1
Impairment	—	—	—	—	1	—	—	—	—	1
Interest expense	51	31	2	3	—	—	—	—	84	171
	<u>53</u>	<u>1,098</u>	<u>692</u>	<u>100</u>	<u>82</u>	<u>21</u>	<u>52</u>	<u>—</u>	<u>90</u>	<u>2,188</u>
(Loss) income from continuing operations before income tax benefit (expense)	(1,183)	(155)	(34)	5	3	8	1	—	(111)	(1,466)
Income tax benefit (expense)	—	35	8	(1)	—	—	—	—	24	66
Net (loss) income from continuing operations	<u>(1,183)</u>	<u>(120)</u>	<u>(26)</u>	<u>4</u>	<u>3</u>	<u>8</u>	<u>1</u>	<u>—</u>	<u>(87)</u>	<u>(1,400)</u>
Less: net (loss) income from continuing operations attributable to non-controlling interests	(640)	(47)	—	1	—	—	—	—	—	(686)
Net (loss) income from continuing operations attributable to Icahn Enterprises	<u>\$ (543)</u>	<u>\$ (73)</u>	<u>\$ (26)</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 8</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ (87)</u>	<u>\$ (714)</u>
<b>Supplemental information:</b>										
Capital expenditures	\$ —	\$ 24	\$ 9	\$ 4	\$ 1	\$ 1	\$ 1	\$ —	\$ —	\$ 40
Depreciation and amortization	\$ —	\$ 86	\$ 24	\$ 6	\$ 4	\$ 4	\$ 2	\$ —	\$ —	\$ 126

	Three Months Ended September 30, 2019									
	Investment	Energy	Automotive	Food Packaging	Metals	Real Estate	Home Fashion	Mining	Holding Company	Consolidated
(in millions)										
<b>Revenues:</b>										
Net sales	\$ —	\$ 1,622	\$ 596	\$ 98	\$ 82	\$ 6	\$ 51	\$ 29	\$ —	\$ 2,484
Other revenues from operations	—	—	148	—	—	22	—	—	—	170
Net (loss) gain from investment activities	(699)	—	—	—	—	—	—	—	42	(657)
Interest and dividend income	50	1	—	—	—	1	—	—	17	69
(Loss) gain on disposition of assets, net	—	(3)	—	—	—	—	—	252	—	249
Other income, net	—	5	5	(6)	—	—	—	(1)	2	5
	<u>(649)</u>	<u>1,625</u>	<u>749</u>	<u>92</u>	<u>82</u>	<u>29</u>	<u>51</u>	<u>280</u>	<u>61</u>	<u>2,320</u>
<b>Expenses:</b>										
Cost of goods sold	—	1,440	409	80	84	5	43	8	—	2,069
Other expenses from operations	—	—	125	—	—	16	—	—	—	141
Selling, general and administrative	5	36	271	15	3	4	12	2	4	352
Restructuring, net	—	—	1	2	1	—	—	—	—	4
Impairment	—	—	—	—	—	—	—	—	—	—
Interest expense	27	27	5	3	1	—	1	1	88	153
	<u>32</u>	<u>1,503</u>	<u>811</u>	<u>100</u>	<u>89</u>	<u>25</u>	<u>56</u>	<u>11</u>	<u>92</u>	<u>2,719</u>
(Loss) income from continuing operations before income tax (expense) benefit	(681)	122	(62)	(8)	(7)	4	(5)	269	(31)	(399)
Income tax (expense) benefit	—	(30)	14	(4)	—	—	—	1	45	26
Net (loss) income from continuing operations	<u>(681)</u>	<u>92</u>	<u>(48)</u>	<u>(12)</u>	<u>(7)</u>	<u>4</u>	<u>(5)</u>	<u>270</u>	<u>14</u>	<u>(373)</u>
Less: net (loss) income from continuing operations attributable to non-controlling interests	(339)	13	—	(2)	—	—	—	4	—	(324)
Net (loss) income from continuing operations attributable to Icahn Enterprises	<u>\$ (342)</u>	<u>\$ 79</u>	<u>\$ (48)</u>	<u>\$ (10)</u>	<u>\$ (7)</u>	<u>\$ 4</u>	<u>\$ (5)</u>	<u>\$ 266</u>	<u>\$ 14</u>	<u>\$ (49)</u>
<b>Supplemental information:</b>										
Capital expenditures	\$ —	\$ 30	\$ 20	\$ 2	\$ 3	\$ 2	\$ 2	\$ 4	\$ —	\$ 63
Depreciation and amortization	\$ —	\$ 88	\$ 25	\$ 5	\$ 5	\$ 4	\$ 2	\$ —	\$ —	\$ 129

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	Nine Months Ended September 30, 2020									
	Investment	Energy	Automotive	Food Packaging	Metals	Real Estate	Home Fashion	Mining	Holding Company	Consolidated
	(in millions)									
<b>Revenues:</b>										
Net sales	\$ —	\$ 2,811	\$ 1,468	\$ 306	\$ 203	\$ 22	\$ 140	\$ —	\$ —	\$ 4,950
Other revenues from operations	—	—	414	—	—	46	—	—	—	460
Net loss from investment activities	(1,893)	(20)	—	—	—	—	—	—	(239)	(2,152)
Interest and dividend income	107	10	—	—	—	1	—	—	17	135
(Loss) gain on disposition of assets, net	—	(2)	(1)	—	1	7	—	—	—	5
Other (loss) income, net	(7)	(5)	(6)	(9)	1	—	3	—	(4)	(27)
	<u>(1,793)</u>	<u>2,794</u>	<u>1,875</u>	<u>297</u>	<u>205</u>	<u>76</u>	<u>143</u>	<u>—</u>	<u>(226)</u>	<u>3,371</u>
<b>Expenses:</b>										
Cost of goods sold	—	2,934	1,036	243	202	17	111	—	—	4,543
Other expenses from operations	—	—	339	—	—	30	—	—	—	369
Selling, general and administrative	(1)	88	671	38	11	31	30	—	20	888
Restructuring, net	—	—	8	—	—	—	—	—	—	8
Impairment	—	—	—	—	1	2	3	—	—	6
Interest expense	145	93	9	10	1	—	1	—	258	517
	<u>144</u>	<u>3,115</u>	<u>2,063</u>	<u>291</u>	<u>215</u>	<u>80</u>	<u>145</u>	<u>—</u>	<u>278</u>	<u>6,331</u>
(Loss) income from continuing operations before income tax benefit (expense)	(1,937)	(321)	(188)	6	(10)	(4)	(2)	—	(504)	(2,960)
Income tax benefit (expense)	—	85	39	(3)	—	—	—	—	(3)	118
Net (loss) income from continuing operations	(1,937)	(236)	(149)	3	(10)	(4)	(2)	—	(507)	(2,842)
Less: net loss from continuing operations attributable to non-controlling interests	(947)	(96)	—	—	—	—	—	—	—	(1,043)
Net (loss) income from continuing operations attributable to Icahn Enterprises	<u>\$ (990)</u>	<u>\$ (140)</u>	<u>\$ (149)</u>	<u>\$ 3</u>	<u>\$ (10)</u>	<u>\$ (4)</u>	<u>\$ (2)</u>	<u>\$ —</u>	<u>\$ (507)</u>	<u>\$ (1,799)</u>
<b>Supplemental information:</b>										
Capital expenditures	\$ —	\$ 101	\$ 25	\$ 10	\$ 3	\$ 10	\$ 4	\$ —	\$ 2	\$ 155
Depreciation and amortization	\$ —	\$ 256	\$ 72	\$ 19	\$ 13	\$ 13	\$ 6	\$ —	\$ —	\$ 379

	Nine Months Ended September 30, 2019									
	Investment	Energy	Automotive	Food Packaging	Metals	Real Estate	Home Fashion	Mining	Holding Company	Consolidated
	(in millions)									
<b>Revenues:</b>										
Net sales	\$ —	\$ 4,794	\$ 1,736	\$ 290	\$ 270	\$ 17	\$ 134	\$ 130	\$ —	\$ 7,371
Other revenues from operations	—	—	445	—	—	59	—	—	—	504
Net loss from investment activities	(1,619)	—	—	—	—	—	—	—	(349)	(1,968)
Interest and dividend income	132	3	—	—	—	1	—	1	55	192
(Loss) gain on disposition of assets, net	—	5	(2)	—	1	—	—	252	—	256
Other (loss) income, net	(1)	10	12	(8)	—	2	—	(1)	2	16
	<u>(1,488)</u>	<u>4,812</u>	<u>2,191</u>	<u>282</u>	<u>271</u>	<u>79</u>	<u>134</u>	<u>382</u>	<u>(292)</u>	<u>6,371</u>
<b>Expenses:</b>										
Cost of goods sold	—	4,229	1,190	230	269	14	115	51	—	6,098
Other expenses from operations	—	—	368	—	—	41	—	—	—	409
Selling, general and administrative	10	107	779	44	11	16	31	15	14	1,027
Restructuring, net	—	—	3	9	3	—	—	—	—	15
Impairment	—	—	—	1	—	—	—	—	—	1
Interest expense	66	80	15	12	1	—	1	4	264	443
	<u>76</u>	<u>4,416</u>	<u>2,355</u>	<u>296</u>	<u>284</u>	<u>71</u>	<u>147</u>	<u>70</u>	<u>278</u>	<u>7,993</u>
(Loss) income from continuing operations before income tax (expense) benefit	(1,564)	396	(164)	(14)	(13)	8	(13)	312	(570)	(1,622)
Income tax (expense) benefit	—	(98)	36	(2)	—	1	—	(1)	76	12
Net (loss) income from continuing operations	(1,564)	298	(128)	(16)	(13)	9	(13)	311	(494)	(1,610)
Less: net (loss) income from continuing operations attributable to non-controlling interests	(779)	77	—	(3)	—	—	—	12	—	(693)
Net (loss) income from continuing operations attributable to Icahn Enterprises	<u>\$ (785)</u>	<u>\$ 221</u>	<u>\$ (128)</u>	<u>\$ (13)</u>	<u>\$ (13)</u>	<u>\$ 9</u>	<u>\$ (13)</u>	<u>\$ 299</u>	<u>\$ (494)</u>	<u>\$ (917)</u>
<b>Supplemental information:</b>										
Capital expenditures	\$ —	\$ 85	\$ 42	\$ 12	\$ 20	\$ 18	\$ 4	\$ 14	\$ —	\$ 195
Depreciation and amortization	\$ —	\$ 265	\$ 73	\$ 19	\$ 14	\$ 13	\$ 5	\$ —	\$ —	\$ 389

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**  
**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**Disaggregation of Revenue**

In addition to the condensed statements of operations by reporting segment above, we provide additional disaggregated revenue information for our Energy and Automotive segments below.

**Energy**

Disaggregated revenue for our Energy segment net sales is presented below:

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
			(in millions)	
Petroleum products	\$ 926	\$ 1,533	\$ 2,551	\$ 4,476
Nitrogen fertilizer products	79	89	260	318
	<u>\$ 1,005</u>	<u>\$ 1,622</u>	<u>\$ 2,811</u>	<u>\$ 4,794</u>

**Automotive**

Disaggregated revenue for our Automotive segment net sales and other revenues from operations is presented below:

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
			(in millions)	
Automotive services	\$ 327	\$ 356	\$ 913	\$ 1,028
Aftermarket parts sales	333	388	969	1,153
	<u>\$ 660</u>	<u>\$ 744</u>	<u>\$ 1,882</u>	<u>\$ 2,181</u>

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**  
**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**Condensed Balance Sheets**

Icahn Enterprises' condensed balance sheets by reporting segment are presented below. Icahn Enterprises Holdings' condensed balance sheets are substantially the same, with immaterial differences relating to our Holding Company's debt and equity attributable to Icahn Enterprises Holdings.

September 30, 2020									
	Investment	Energy	Automotive	Food Packaging	Metals (in millions)	Real Estate	Home Fashion	Holding Company	Consolidated
<b>ASSETS</b>									
Cash and cash equivalents	\$ 13	\$ 672	\$ 55	\$ 12	\$ 2	\$ 18	\$ 3	\$ 1,087	\$ 1,862
Cash held at consolidated affiliated partnerships and restricted cash	2,650	7	—	1	2	9	5	13	2,687
Investments	6,177	199	60	—	—	15	—	459	6,910
Accounts receivable, net	—	133	108	95	54	13	40	—	443
Inventories, net	—	266	1,068	92	28	—	82	—	1,536
Property, plant and equipment, net	—	2,785	873	155	111	300	66	7	4,297
Goodwill and intangible assets, net	—	243	379	30	10	2	20	—	684
Other assets	3,127	332	617	121	34	133	19	22	4,405
Total assets	<u>\$ 11,967</u>	<u>\$ 4,637</u>	<u>\$ 3,160</u>	<u>\$ 506</u>	<u>\$ 241</u>	<u>\$ 490</u>	<u>\$ 235</u>	<u>\$ 1,588</u>	<u>\$ 22,824</u>
<b>LIABILITIES AND EQUITY</b>									
Accounts payable, accrued expenses and other liabilities	\$ 2,158	\$ 1,009	\$ 1,173	\$ 190	\$ 74	\$ 54	\$ 62	\$ 115	\$ 4,835
Securities sold, not yet purchased, at fair value	970	—	—	—	—	—	—	—	970
Debt	—	1,690	333	258	23	2	28	5,812	8,146
Total liabilities	<u>3,128</u>	<u>2,699</u>	<u>1,506</u>	<u>448</u>	<u>97</u>	<u>56</u>	<u>90</u>	<u>5,927</u>	<u>13,951</u>
Equity attributable to Icahn Enterprises	4,058	1,091	1,654	44	144	433	145	(4,339)	3,230
Equity attributable to non-controlling interests	4,781	847	—	14	—	1	—	—	5,643
Total equity	<u>8,839</u>	<u>1,938</u>	<u>1,654</u>	<u>58</u>	<u>144</u>	<u>434</u>	<u>145</u>	<u>(4,339)</u>	<u>8,873</u>
Total liabilities and equity	<u>\$ 11,967</u>	<u>\$ 4,637</u>	<u>\$ 3,160</u>	<u>\$ 506</u>	<u>\$ 241</u>	<u>\$ 490</u>	<u>\$ 235</u>	<u>\$ 1,588</u>	<u>\$ 22,824</u>

December 31, 2019									
	Investment	Energy	Automotive	Food Packaging	Metals (in millions)	Real Estate	Home Fashion	Holding Company	Consolidated
<b>ASSETS</b>									
Cash and cash equivalents	\$ 11	\$ 652	\$ 46	\$ 22	\$ 3	\$ 53	\$ 1	\$ 3,006	\$ 3,794
Cash held at consolidated affiliated partnerships and restricted cash	989	—	—	1	6	2	7	146	1,151
Investments	9,207	81	120	—	—	15	—	522	9,945
Accounts receivable, net	—	182	143	78	32	12	36	—	483
Inventories, net	—	373	1,215	100	32	—	75	—	1,795
Property, plant and equipment, net	—	2,888	916	161	122	299	68	—	4,454
Goodwill and intangible assets, net	—	258	382	30	11	8	24	—	713
Other assets	1,076	239	673	125	27	125	20	19	2,304
Total assets	<u>\$ 11,283</u>	<u>\$ 4,673</u>	<u>\$ 3,495</u>	<u>\$ 517</u>	<u>\$ 233</u>	<u>\$ 514</u>	<u>\$ 231</u>	<u>\$ 3,693</u>	<u>\$ 24,639</u>
<b>LIABILITIES AND EQUITY</b>									
Accounts payable, accrued expenses and other liabilities	\$ 1,310	\$ 1,180	\$ 1,340	\$ 196	\$ 70	\$ 38	\$ 66	\$ 115	\$ 4,315
Securities sold, not yet purchased, at fair value	1,190	—	—	—	—	—	—	—	1,190
Debt	—	1,195	405	268	7	2	18	6,297	8,192
Total liabilities	<u>2,500</u>	<u>2,375</u>	<u>1,745</u>	<u>464</u>	<u>77</u>	<u>40</u>	<u>84</u>	<u>6,412</u>	<u>13,697</u>
Equity attributable to Icahn Enterprises	4,296	1,312	1,750	40	156	474	147	(2,719)	5,456
Equity attributable to non-controlling interests	4,487	986	—	13	—	—	—	—	5,486
Total equity	<u>8,783</u>	<u>2,298</u>	<u>1,750</u>	<u>53</u>	<u>156</u>	<u>474</u>	<u>147</u>	<u>(2,719)</u>	<u>10,942</u>
Total liabilities and equity	<u>\$ 11,283</u>	<u>\$ 4,673</u>	<u>\$ 3,495</u>	<u>\$ 517</u>	<u>\$ 233</u>	<u>\$ 514</u>	<u>\$ 231</u>	<u>\$ 3,693</u>	<u>\$ 24,639</u>

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**  
**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**13. Income Taxes**

For the three months ended September 30, 2020, we recorded an income tax benefit of \$66 million on pre-tax loss from continuing operations of \$1,466 million compared to an income tax benefit of \$26 million on pre-tax loss from continuing operations of \$399 million for the three months ended September 30, 2019. Our effective income tax rate was 4.5% and 6.5% for the three months ended September 30, 2020 and 2019, respectively.

For the three months ended September 30, 2020, the effective tax rate was lower than the statutory federal rate of 21%, primarily due to changes in the valuation allowance and partnership loss for which there was no tax benefit, as such loss is allocated to the partners.

For the three months ended September 30, 2019, the effective tax rate was lower than the statutory federal rate of 21%, primarily due to partnership loss for which there was no tax benefit, as such loss is allocated to the partners.

For the nine months ended September 30, 2020, we recorded an income tax benefit of \$118 million on pre-tax loss from continuing operations of \$2,960 million compared to an income tax benefit of \$12 million on pre-tax loss from continuing operations of \$1,622 million for the nine months ended September 30, 2019. Our effective income tax rate was 4.0% and 0.7% for the nine months ended September 30, 2020 and 2019, respectively.

For the nine months ended September 30, 2020, the effective tax rate was lower than the statutory federal rate of 21%, primarily due to changes in the valuation allowance and partnership loss for which there was no tax benefit, as such loss is allocated to the partners.

For the nine months ended September 30, 2019, the effective tax rate was lower than the statutory federal rate of 21%, primarily due to partnership loss for which there was no tax benefit, as such loss is allocated to the partners.

**14. Changes in Accumulated Other Comprehensive Loss**

Changes in accumulated other comprehensive loss consists of the following:

	<b>Translation Adjustments, Net of Tax</b>	<b>Post-Retirement Benefits and Other, Net of Tax</b>	<b>Total</b>
		<small>(in millions)</small>	
Balance, December 31, 2019	\$ (38)	\$ (50)	\$ (88)
Other comprehensive income before reclassifications, net of tax	—	—	—
Reclassifications from accumulated other comprehensive loss to earnings, net of tax	—	1	1
Other comprehensive income, net of tax	—	1	1
Balance, September 30, 2020	<u>\$ (38)</u>	<u>\$ (49)</u>	<u>\$ (87)</u>

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**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**15. Other Income, Net**

Other income, net consists of the following:

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(in millions)			
Equity earnings from non-consolidated affiliates	\$ 2	\$ 8	\$ —	\$ 16
Foreign currency transaction loss	—	(6)	(9)	(7)
Non-service pension and other post-retirement benefits expense	—	(1)	—	(2)
Loss on extinguishment of debt	—	2	(12)	2
Other	(1)	2	(6)	7
	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ (27)</u>	<u>\$ 16</u>

**16. Commitments and Contingencies**

***Environmental Matters***

Due to the nature of our business, certain of our subsidiaries' operations are subject to numerous existing and proposed laws and governmental regulations designed to protect the environment, particularly regarding plant wastes and emissions and solid waste disposal. Our consolidated environmental liabilities were \$38 million and \$34 million as of September 30, 2020 and December 31, 2019, respectively, primarily within our Metals and Energy segments and which are included in accrued expenses and other liabilities in our condensed consolidated balance sheets. We do not believe that environmental matters will have a material adverse impact on our consolidated results of operations and financial condition.

On August 21, 2018, CVR Refining received a letter from the United States Department of Justice (the "DOJ") on behalf of the Environmental Protection Agency (the "EPA") and the Kansas Department of Health and Environment ("KDHE") alleging violations of the Clean Air Act and a 2012 Consent Decree between CVR Refining, the United States (on behalf of the EPA) and KDHE at CVR Energy's Coffeyville refinery. In April 2020, CVR Refining executed a tolling agreement with the DOJ and KDHE further extending time for negotiation regarding the alleged violations through June 30, 2020. In June and October 2020, CVR Refining received a demand letter and related documents from the EPA and KDHE seeking certain penalties in connection therewith. CVR Refining is evaluating this matter, including the dispute resolution and related provisions of the Consent Decree regarding such allegations. At this time, this matter has not had a material impact on our Energy segment's financial position, results of operations or cash flows and CVR Energy cannot yet reasonably estimate the full impact that may result from this matter or any subsequent enforcement or litigation relating thereto.

***Renewable Fuel Standards***

CVR Refining is subject to the Renewable Fuel Standard ("RFS") of the EPA which requires refiners to either blend renewable fuels in with their transportation fuels or purchase renewable fuel credits, known as RINs, in lieu of blending. CVR Refining is not able to blend the substantial majority of its transportation fuels and has to purchase RINs on the open market and may have to obtain waiver credits for cellulosic biofuels from the EPA, in order to comply with the RFS.

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For the three months ended September 30, 2020 and 2019, our Energy segment recognized expenses of \$36 million and a benefit of \$2 million, respectively, for its compliance with the RFS and which is included in cost of goods sold in the condensed consolidated statements of operations. For the nine months ended September 30, 2020 and 2019, such expenses were \$71 million and \$31 million, respectively. Our Energy segment's cost to comply with the RFS includes recognition of its biofuel blending obligation based on the purchased cost of RINs or the fair value of the obligation for which RINs have not been purchased, based on market prices at each reporting date and the valuation change of RINs acquired in excess of CVR Refining's RFS obligation as of the reporting date.

***Litigation***

From time to time, we and our subsidiaries are involved in various lawsuits arising in the normal course of business. We do not believe that such normal routine litigation will have a material effect on our financial condition or results of operations.

*Energy*

On April 6, 2020, CVR Energy, CVR Refining and its general partner, Icahn Enterprises and certain other affiliates and individuals were each named in a lawsuit filed in the United States Southern District of New York by purported former unitholders of CVR Refining, on behalf of themselves and an alleged class of similarly situated unitholders. This lawsuit primarily alleges violation of Section 10(b) of the Exchange Act and Rule 10b-5 and violation of Section 20(a) of the Exchange Act, and seeks monetary damages and attorneys' fees, among other remedies, relating to CVR Energy's exercise of the call option under the CVR Refining Amended and Restated Agreement of Limited Partnership assigned to it by CVR Refining's general partner. CVR Energy believes this lawsuit is without merit and intends to vigorously defend against it. This lawsuit remains in the early stages of litigation. Accordingly, CVR Energy cannot determine at this time the outcome of this lawsuit, including whether the outcome of this matter would have a material impact on the its financial position, results of operations, or cash flows.

***Other Matters***

*Pension Obligations*

Mr. Icahn, through certain affiliates, owns 100% of Icahn Enterprises GP and approximately 92.0% of Icahn Enterprises' outstanding depository units as of September 30, 2020. Applicable pension and tax laws make each member of a "controlled group" of entities, generally defined as entities in which there is at least an 80% common ownership interest, jointly and severally liable for certain pension plan obligations of any member of the controlled group. These pension obligations include ongoing contributions to fund the plan, as well as liability for any unfunded liabilities that may exist at the time the plan is terminated. In addition, the failure to pay these pension obligations when due may result in the creation of liens in favor of the pension plan or the Pension Benefit Guaranty Corporation (the "PBGC") against the assets of each member of the controlled group.

As a result of the more than 80% ownership interest in us by Mr. Icahn's affiliates, we and our subsidiaries are subject to the pension liabilities of entities in which Mr. Icahn has a direct or indirect ownership interest of at least 80%, which includes the liabilities of pension plans sponsored by ACF Industries LLC ("ACF"). All the minimum funding requirements of the Internal Revenue Code, as amended, and the Employee Retirement Income Security Act of 1974, as amended, for the ACF plans have been met as of September 30, 2020. If the plans were voluntarily terminated, they would be underfunded by approximately \$80 million as of September 30, 2020. These results are based on the most recent information provided by the plans' actuary. These liabilities could increase or decrease, depending on a number of factors, including future changes in benefits, investment returns, and the assumptions used to calculate the liability. As members of the controlled group, we would be liable for any failure of ACF to make ongoing pension contributions or to pay the unfunded liabilities upon a termination of the ACF pension plans. In addition, other entities now or in the future

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within the controlled group in which we are included may have pension plan obligations that are, or may become, underfunded and we would be liable for any failure of such entities to make ongoing pension contributions or to pay the unfunded liabilities upon termination of such plans.

The current underfunded status of the ACF pension plans requires them to notify the PBGC of certain “reportable events,” such as if we cease to be a member of the ACF controlled group, or if we make certain extraordinary dividends or stock redemptions. The obligation to report could cause us to seek to delay or reconsider the occurrence of such reportable events.

As discussed in Note 1, “Description of Business,” in October 2020, we increased our ownership in Viskase to approximately 89.0% and as a result, Viskase has become a member of the controlled group. Viskase is the sponsor of several pension plans. As members of the controlled group, we would be liable for any failure of Viskase to make ongoing pension contributions or to pay the unfunded liabilities upon a termination of the Viskase pension plans.

Starfire Holding Corporation (“Starfire”), which is 99.6% owned by Mr. Icahn, has undertaken to indemnify us and our subsidiaries from losses resulting from any imposition of certain pension funding or termination liabilities that may be imposed on us and our subsidiaries or our assets as a result of being a member of the Icahn controlled group, including ACF. The Starfire indemnity provides, among other things, that so long as such contingent liabilities exist and could be imposed on us, Starfire will not make any distributions to its stockholders that would reduce its net worth to below \$250 million. Nonetheless, Starfire may not be able to fund its indemnification obligations to us.

#### *Other*

The U.S. Attorney’s office for the Southern District of New York contacted Icahn Enterprises L.P. in September 2017 seeking production of information pertaining to our and Mr. Icahn’s activities relating to the Renewable Fuels Standard and Mr. Icahn’s former role as an advisor to the President of the United States. We cooperated with the request and provided information in response to the subpoena. The U.S. Attorney’s office for the Southern District of New York contacted Icahn Enterprises L.P. in June 2018 seeking production of information pertaining to trading in Manitowoc Company, Inc. securities. We cooperated with the request and provided documents in response to the subpoena. The U.S. Attorney’s office has not made any claims or allegations against us or Mr. Icahn with respect to either of the foregoing inquiries. We maintain a strong compliance program and, while no assurances can be made, we do not believe these inquiries will have a material impact on our business, financial condition, results of operations or cash flows.

#### **17. Supplemental Cash Flow Information**

Supplemental cash flow information consists of the following:

	<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
	(in millions)	
Cash payments for interest, net of amounts capitalized	\$ (382)	\$ (400)
Cash receipts (payments) for income taxes, net of payments	11	(58)
Non-cash Investment segment contributions from non-controlling interests	1,240	—

In addition to the above, Icahn Enterprises Holdings reduced its receivable from Icahn Enterprises in a non-cash distribution to limited partner in the amount of \$32 million in the third quarter of 2019. This transaction is reported as a non-cash related party transaction with respect to Icahn Enterprises Holdings and is eliminated in consolidation with respect to Icahn Enterprises.

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**18. Subsequent Events**

***Icahn Enterprises***

*LP Unit Distribution*

On November 4, 2020, the Board of Directors of the general partner of Icahn Enterprises declared a quarterly distribution in the amount of \$2.00 per depositary unit, which will be paid on or about December 29, 2020 to depositary unitholders of record at the close of business on November 24, 2020. Depositary unitholders will have until December 17, 2020 to make an election to receive either cash or additional depositary units; if a unitholder does not make an election, it will automatically be deemed to have elected to receive the distribution in cash. Depositary unitholders who elect to receive additional depositary units will receive units valued at the volume weighted average trading price of the units on NASDAQ during the 5 consecutive trading days ending December 24, 2020. No fractional depositary units will be issued pursuant to the distribution payment. Icahn Enterprises will make a cash payment in lieu of issuing fractional depositary units to any unitholders electing to receive depositary units. Any unitholders that would only be eligible to receive a fraction of a depositary unit based on the above calculation will receive a cash payment.

*Related Party Agreements*

On October 1, 2020, we entered into a manager agreement with Brett Icahn, the son of Carl C. Icahn, and affiliates of Brett Icahn. Under the manager agreement, Brett Icahn will serve as the portfolio manager of a designated portfolio of assets within the Investment Funds over a seven-year term, subject to veto rights by our Investment segment and Carl C. Icahn. Additionally, Brett Icahn will provide certain other services, at our request, which may entail research, analysis and advice with respect to a separate designated portfolio of assets within the Investment Funds. Subject to the terms of the manager agreement, at the end of the seven-year term, Brett Icahn will be entitled to receive a one-time lump sum payment as described in and computed pursuant to the agreement. Brett Icahn will not be entitled to receive from us any other compensation (including any salary or bonus) in respect of the services he is to provide under the manager agreement other than restricted depositary units granted under a restricted unit agreement, as discussed below.

On October 1, 2020, we entered into a restricted unit agreement with Brett Icahn pursuant to the 2017 Incentive Plan whereby Brett Icahn was awarded a grant of 239,254 restricted depositary units of Icahn Enterprises which will vest over seven years, subject to the terms and conditions of that agreement. We also entered into a guaranty agreement with an affiliate of Brett Icahn, pursuant to which we guaranteed the payment of certain amounts required to be distributed by the Investment Funds to such affiliate pursuant to the terms and conditions of the manager agreement.

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

*The following discussion is intended to assist you in understanding our present business and the results of operations together with our present financial condition. This section should be read in conjunction with our unaudited condensed consolidated financial statements and the accompanying notes contained in this Quarterly Report on Form 10-Q for the period ended September 30, 2020 (this “Report”), as well as our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission on February 28, 2020.*

### **Executive Overview**

#### ***Introduction***

Icahn Enterprises L.P. (“Icahn Enterprises”) is a master limited partnership formed in Delaware on February 17, 1987. Icahn Enterprises Holdings L.P. (“Icahn Enterprises Holdings”) is a limited partnership formed in Delaware on February 17, 1987. References to “we,” “our” or “us” herein include both Icahn Enterprises and Icahn Enterprises Holdings and their subsidiaries, unless the context otherwise requires.

Icahn Enterprises owns a 99% limited partner interest in Icahn Enterprises Holdings. Icahn Enterprises Holdings and its subsidiaries own substantially all of the assets and liabilities of Icahn Enterprises and conduct substantially all of its operations. Therefore, the financial results of Icahn Enterprises and Icahn Enterprises Holdings are substantially the same, with differences relating primarily to allocations to the general and limited partners. We do not discuss Icahn Enterprises and Icahn Enterprises Holdings separately unless we believe it is necessary to an understanding of the businesses.

We are a diversified holding company owning subsidiaries currently engaged in the following continuing operating businesses: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate and Home Fashion. We also report the results of our Holding Company, which includes the results of certain subsidiaries of Icahn Enterprises and Icahn Enterprises Holdings (unless otherwise noted), and investment activity and expenses associated with our Holding Company. Our historical results also report the results of our Mining segment, until sold on August 1, 2019.

#### ***Significant Transactions and Developments***

##### *Current Economic Conditions*

In March 2020, the World Health Organization categorized COVID-19 as a pandemic and the President of the United States declared the COVID-19 outbreak a national emergency. The COVID-19 pandemic, and actions taken by governments and others in response thereto, has negatively impacted the global economy, financial markets, and the industries in which our subsidiaries operate. Our consolidated results of operations and financial condition have been impacted primarily by the volatility in the fair value of investments held by our Investment segment and the Holding Company (primarily unrealized) as well as declines in the global demand for refined products, especially gasoline and diesel fuels, with respect to our Energy segment. The impact on our businesses has also included the acceleration of selective planned store closures in our Automotive segment, lowering current year forecasts across various segments and recording write-downs to inventories. We believe that the current economic conditions will continue to impact our businesses through at least the remainder of the year. The extent and duration of the impact on our future results of operations, liquidity and financial condition is uncertain and may be significant. However, we believe that we and our subsidiaries have sufficient available liquidity to meet anticipated cash requirements for at least the next twelve months.

##### *Debt Issuances*

In January 2020, Icahn Enterprises and Icahn Enterprises Finance Corp. (together the “Issuers”) issued an additional \$600 million in aggregate principal amount of 4.750% senior unsecured notes due 2024 (the “New 2024 Notes”) and an additional \$250 million in aggregate principal amount of 5.250% senior unsecured notes due 2027 (the “New 2027 Notes,” and together with the New 2024 Notes, the “New Notes”). The proceeds from the New Notes, together with cash

on hand, were used to redeem all of our prior outstanding \$1.35 billion principal amount of 5.875% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses.

## Results of Operations

### Consolidated Financial Results

Our operating businesses comprise consolidated subsidiaries which operate in various industries and are managed on a decentralized basis. In addition to our Investment segment’s revenues from investment transactions, revenues for our operating businesses primarily consist of net sales of various products, services revenue, franchisor operations and leasing of real estate. Due to the structure and nature of our business, we primarily discuss the results of operations by individual reporting segment in order to better understand our consolidated operating performance. Certain other financial information is discussed on a consolidated basis following our segment discussion, including other revenues and expenses included in continuing operations as well as our results from discontinued operations. In addition to the summarized financial results below, refer to Note 12, “Segment Reporting,” to the condensed consolidated financial statements for a reconciliation of each of our reporting segment’s results of continuing operations to our consolidated results.

The comparability of our summarized consolidated financial results presented below is affected primarily by the sale of Ferrous Resources Ltd. (“Ferrous Resources”) in August 2019, the performance of the Investment Funds (as defined below), the results of operations of our Energy segment, impacted by the demand and pricing for its products, and our Holding Company’s realized and unrealized gains and losses on certain equity investments. Refer to our respective segment discussions and “Other Consolidated Results of Operations,” below for further discussion.

	Revenues		Net Income (Loss) From Continuing Operations		Net Income (Loss) From Continuing Operations Attributable to Icahn Enterprises	
	Three Months Ended September 30,		Three Months Ended September 30,		Three Months Ended September 30,	
	2020	2019	2020	2019	2020	2019
	(in millions)					
Investment Holding Company	\$ (1,130)	\$ (649)	\$ (1,183)	\$ (681)	\$ (543)	\$ (342)
	(21)	61	(87)	14	(87)	14
<u>Other Operating Segments:</u>						
Energy	943	1,625	(120)	92	(73)	79
Automotive	658	749	(26)	(48)	(26)	(48)
Food Packaging	105	92	4	(12)	3	(10)
Metals	85	82	3	(7)	3	(7)
Real Estate	29	29	8	4	8	4
Home Fashion	53	51	1	(5)	1	(5)
Mining	—	280	—	270	—	266
Other operating segments	1,873	2,908	(130)	294	(84)	279
Consolidated	\$ 722	\$ 2,320	\$ (1,400)	\$ (373)	\$ (714)	\$ (49)

	Revenues		Net Income (Loss) From Continuing Operations		Net Income (Loss) From Continuing Operations Attributable to Icahn Enterprises	
	Nine Months Ended September 30,		Nine Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019	2020	2019
	(in millions)					
Investment	\$ (1,793)	\$ (1,488)	\$ (1,937)	\$ (1,564)	\$ (990)	\$ (785)
Holding Company	(226)	(292)	(507)	(494)	(507)	(494)
<u>Other Operating Segments:</u>						
Energy	2,794	4,812	(236)	298	(140)	221
Automotive	1,875	2,191	(149)	(128)	(149)	(128)
Food Packaging	297	282	3	(16)	3	(13)
Metals	205	271	(10)	(13)	(10)	(13)
Real Estate	76	79	(4)	9	(4)	9
Home Fashion	143	134	(2)	(13)	(2)	(13)
Mining	—	382	—	311	—	299
Other operating segments	5,390	8,151	(398)	448	(302)	362
Consolidated	\$ 3,371	\$ 6,371	\$ (2,842)	\$ (1,610)	\$ (1,799)	\$ (917)

### Investment

We invest our proprietary capital through various private investment funds (“Investment Funds”). As of September 30, 2020 and December 31, 2019, we had investments with a fair market value of approximately \$4.0 billion and \$4.3 billion, respectively, in the Investment Funds. As of September 30, 2020 and December 31, 2019, the total fair market value of investments in the Investment Funds made by Mr. Icahn and his affiliates (excluding us) was approximately \$4.8 billion and \$4.5 billion, respectively. During the nine months ended September 30, 2020, we invested \$750 million in the Investment Funds, net of redemptions, and affiliates of Mr. Icahn (excluding us) contributed approximately \$1.2 billion of primarily like-kind investments in the Investment Funds.

Our Investment segment’s results of operations are reflected in net income (loss) in the condensed consolidated statements of operations. Our Investment segment’s net income (loss) is driven by the amount of funds allocated to the Investment Funds and the performance of the underlying investments in the Investment Funds. Future funds allocated to the Investment Funds may increase or decrease based on the contributions and redemptions by our Holding Company and by Mr. Icahn and his affiliates. Additionally, historical performance results of the Investment Funds are not indicative of future results as past market conditions, investment opportunities and investment decisions may not occur in the future. Changes in general market conditions coupled with changes in exposure to short and long positions have significant impact on our Investment segment’s results of operations and the comparability of results of operations year over year and as such, future results of operations will be impacted by our future exposures and future market conditions, which may not be consistent with prior trends. Refer to the “Investment Segment Liquidity” section of our “Liquidity and Capital Resources” discussion for additional information regarding our Investment segment’s exposure as of September 30, 2020.

For the three months ended September 30, 2020 and 2019, our Investment Funds’ returns were (11.8%) and (7.4%), respectively, and for the nine months ended September 30, 2020 and 2019, our Investment Funds’ returns were (18.8%) and (15.6%), respectively. Our Investment Funds’ returns represent a weighted-average composite of the average returns, net of expenses.

The following table sets forth the performance attribution for the Investment Funds' returns.

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Long positions	(3.0)%	(5.2)%	(20.4)%	4.2 %
Short positions	(8.8)%	(2.3)%	1.6 %	(20.0)%
Other	— %	0.1 %	— %	0.2 %
	<u>(11.8)%</u>	<u>(7.4)%</u>	<u>(18.8)%</u>	<u>(15.6)%</u>

The following table presents net income (loss) for our Investment segment for the three and nine months ended September 30, 2020 and 2019.

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
			(in millions)	
Long positions	\$ (260)	\$ (487)	\$ (1,952)	\$ 393
Short positions	(923)	(197)	10	(1,981)
Other	—	3	5	24
	<u>\$ (1,183)</u>	<u>\$ (681)</u>	<u>\$ (1,937)</u>	<u>\$ (1,564)</u>

Three Months Ended September 30, 2020 and 2019

For the three months ended September 30, 2020, the Investment Funds' negative performance was driven by net losses in their short positions and, to a lesser extent, net losses in their long positions. The negative performance of our Investment segment's short positions was driven primarily by the negative performance of broad market hedges of \$677 million, losses from a consumer, non-cyclical sector investment of \$156 million and the aggregate performance of various other short positions with net losses aggregating \$161 million across various sectors. The negative performance of our Investment segment's short positions was partially offset by net gains from its short exposure to commercial mortgage-backed securities through credit default swap contracts of \$71 million. The negative performance of our Investment Segment's long positions was driven by losses from an energy sector investment of \$699 million, offset in part by gains from a consumer, cyclical sector investment of \$257 million. Net losses in long positions were further offset in part by the aggregate performance of investments with net gains across various other sectors.

For the three months ended September 30, 2019, the Investment Funds' negative performance was driven by net losses in their long positions and, to a lesser extent, losses in their short positions. The negative performance of our Investment segment's long positions was driven by losses from a consumer, cyclical sector investment, an Energy sector investment and a technology sector investment aggregating \$441 million. The aggregate performance of investments with net losses across various other sectors accounted for an additional negative performance of our Investment segment's long positions. Losses in long positions were offset in part by gains from a financial sector investment, a consumer, cyclical sector investment and a technology sector investment aggregating \$377 million. The negative performance of our Investment segment's short positions was driven by the negative performance of broad market hedges of \$209 million offset in part by the aggregate performance of short positions with net gains across various sectors.

Nine Months Ended September 30, 2020 and 2019

For the nine months ended September 30, 2020, the Investment Funds' negative performance was driven by net losses in their long positions. The negative performance of our Investment segment's long positions was driven by losses from an energy sector investment of \$758 million, a consumer, non-cyclical sector investment of \$637 million and aggregate losses from two technology sector investments of \$536 million. The aggregate performance of investments with net losses across various other sectors accounted for an additional negative performance of our Investment segment's long positions. The negative performance of our Investment segment's long positions was partially offset by net gains from a consumer, cyclical sector investment of \$284 million. The performance of our Investment segment's short positions was driven by the positive performance of their short exposure to commercial mortgage-backed securities

through credit default swap contracts of approximately \$1.4 billion, offset in part primarily by the negative performance of broad market hedges of \$910 million and the aggregate performance of various other short positions with net losses across various sectors.

For the nine months ended September 30, 2019, the Investment Funds' positive performance was driven by net gains in their long positions offset in part by net losses in their short positions. The positive performance of our Investment segment's long positions was driven by gains from a consumer, non-cyclical sector investment and two energy sector investments with gains aggregating approximately \$1.3 billion. The aggregate performance of investments with net gains across various other sectors accounted for an additional positive performance of our Investment segment's long positions. Gains in long positions were offset in part by losses from a basic materials sector investment, a consumer, cyclical sector investment and a consumer, non-cyclical sector investment with losses aggregating \$537 million. The negative performance of our Investment segment's short positions was driven by the negative performance of broad market hedges of \$650 million, offset in part by the aggregate performance of multiple short positions with net gains across various sectors.

### ***Energy***

Our Energy segment is primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing businesses. The petroleum business accounted for approximately 91% and 93% of our Energy segment's net sales for the nine months ended September 30, 2020 and 2019, respectively.

The results of operations of the petroleum business are primarily affected by the relationship between refined product prices and the prices for crude oil and other feedstocks that are processed and blended into petroleum products, such as gasoline, diesel fuel and jet fuel, that are produced by a refinery ("refined products"). The cost to acquire crude oil and other feedstocks and the price for which refined products are ultimately sold depend on factors beyond our Energy segment's control, including the supply of and demand for crude oil, as well as gasoline and other refined products. This supply and demand depend on, among other factors, changes in domestic and foreign economies, weather conditions, domestic and foreign political affairs, production levels, the availability of imports, the marketing of competitive fuels and the extent of government regulation. Because the petroleum business applies first-in, first-out accounting to value its inventory, crude oil price movements may impact gross margin in the short-term fluctuations in the market price of inventory. The effect of changes in crude oil prices on the petroleum business' results of operations is influenced by the rate at which the prices of refined products adjust to reflect these changes.

The COVID-19 pandemic, and the actions taken by governments and others, has negatively impacted the energy industry. The global demand for refined products, especially gasoline, has declined significantly since the middle of March 2020. Concerns over the negative effects of the COVID-19 pandemic on economic and business prospects across the world have contributed to increased market and price volatility. Volatility was further amplified in March 2020 by market plays between the world's largest oil producers. The simultaneous shocks in oil supply and demand has resulted in a decline in the price of crude oil and lead to a significant decrease in the price of refined products sold by our Energy segment.

In addition to current market conditions, there are long-term factors that may impact the demand for refined products. These factors include mandated renewable fuels standards, proposed climate change laws and regulations, and increased mileage standards for vehicles. The petroleum business is also subject to the Renewable Fuel Standard of the United States Environmental Protection Agency, which requires it to either blend "renewable fuels" with its transportation fuels or purchase renewable identification numbers ("RINs"), in lieu of blending. The price of RINs has been extremely volatile and the future cost of RINs for the petroleum business is difficult to estimate. Additionally, the cost of RINs is dependent upon a variety of factors, which include the availability of RINs for purchase, the price at which RINs can be purchased, transportation fuel production levels, the mix of the petroleum business' petroleum products, as well as the fuel blending performed at its refineries and downstream terminals, all of which can vary significantly from period to period. Refer to Note 16, "Commitments and Contingencies," to the condensed consolidated financial statements for further discussion of RINs.

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(in millions)			
Net sales	\$ 1,005	\$ 1,622	\$ 2,811	\$ 4,794
Cost of goods sold	1,040	1,440	2,934	4,229
Gross margin	\$ (35)	\$ 182	\$ (123)	\$ 565

Three Months Ended September 30, 2020 and 2019

Net sales for our Energy segment decreased by approximately \$617 million (38%) for the three months ended September 30, 2020 as compared to the comparable prior year period, primarily due to a decrease in our petroleum business' net sales which decreased \$607 million. The decrease in the petroleum business' net sales was primarily due to a decrease in sales of distillates as well as a decrease in gasoline sales attributable to a decrease in volumes and unfavorable pricing conditions. These decreases were the result of reduced demand and excess supply attributable to the current market dynamics resulting from government actions to address the COVID-19 pandemic. Our nitrogen fertilizer business' net sales decreased \$10 million primarily due to a decrease in urea ammonium nitrate ("UAN") sales due to unfavorable pricing, partially offset by an increase in volumes.

Cost of goods sold for our Energy segment decreased by \$400 million (28%) for the three months ended September 30, 2020 as compared to the comparable prior year period. The decrease was primarily due to our petroleum business as a result of lower cost of consumed crude oil. The lower cost of consumed crude oil was due to a decrease in volumes, as discussed above, and lower crude oil prices offset in part by lower derivative gains of \$5 million and a \$38 million increase in the net cost of RINs. Gross margin for our Energy segment decreased by \$217 million for the three months ended September 30, 2020 as compared to the comparable prior year period. Gross margin as a percentage of net sales was (3)% and 11% for the three months ended September 30, 2020 and 2019, respectively. The decrease in the gross margin as a percentage of net sales was primarily attributable to the petroleum business, which was primarily due to unfavorable market pricing and crack spreads as well as lower derivative gains over the comparable periods.

Nine Months Ended September 30, 2020 and 2019

Net sales for our Energy segment decreased by approximately \$2.0 billion (41%) for the nine months ended September 30, 2020 as compared to the comparable prior year period, primarily due to a decrease in our petroleum business' net sales which decreased approximately \$1.9 billion. The decrease in the petroleum business' net sales was primarily due to a decrease in gasoline sales as well as a decrease in sales of distillates attributable to a decrease in volumes and unfavorable pricing conditions. These decreases were the result of reduced demand and excess supply attributable to the current market dynamics resulting from government actions to address the COVID-19 pandemic. Additionally, during 2020, scheduled maintenance at one refinery has contributed to the decline in volumes. Our nitrogen fertilizer business' net sales decreased \$58 million primarily due to a decrease in UAN sales due to unfavorable pricing, partially offset by an increase in volumes.

Cost of goods sold for our Energy segment decreased by approximately \$1.3 billion (31%) for the nine months ended September 30, 2020 as compared to the comparable prior year period. The decrease was primarily due to our petroleum business as a result of lower cost of consumed crude oil. The lower cost of consumed crude oil was due to a decrease in volumes resulting from the scheduled maintenance, as discussed above, and lower crude oil prices. Cost of goods sold for our petroleum business was also lower due to higher derivative gains of \$54 million, offset in part by a \$58 million write-down of inventory to net realizable value in the first quarter of 2020 and a \$40 million increase in the net cost of RINs. Gross margin for our Energy segment decreased by \$688 million for the nine months ended September 30, 2020 as compared to the comparable prior year period. Gross margin as a percentage of net sales was (4)% and 12% for the nine months ended September 30, 2020 and 2019, respectively. The decrease in the gross margin as a percentage of net sales was primarily attributable to the petroleum business, which was primarily due to unfavorable market pricing and crack spreads, offset in part by higher derivative gains over the comparable periods.

## Automotive

Our Automotive segment's results of operations are generally driven by the distribution and installation of automotive aftermarket parts and are affected by the relative strength of automotive part replacement trends, among other factors.

Our Automotive segment is in the process of implementing a multi-year transformation plan, which includes the integration and restructuring of its businesses. The transformation plan includes operating the automotive services and aftermarket parts businesses as separate businesses, streamlining Icahn Automotive's corporate and field support teams, facility closures, consolidations and conversions, inventory optimization actions, and the re-focusing of its automotive parts business on certain core markets. Costs to implement the transformation plan will include restructuring charges, which will be recorded when specific plans are approved, and which may be significant.

Our Automotive segment's priorities include:

- Positioning the service business to take advantage of opportunities in the do-it-for-me market and vehicle fleets;
- Optimizing the value of the commercial parts distribution business in certain high-volume core markets;
- Exiting the automotive parts distribution business in certain low volume, non-core markets;
- Improving inventory management across Icahn Automotive's parts and tire distribution network;
- Investment in customer experience initiatives such as enhanced customer loyalty programs and selective upgrades in facilities;
- Investment in employees with focus on training and career development investments; and
- Business process improvements, including investments in our supply chain and information technology capabilities.

The following table presents our Automotive segment's operating revenue, cost of revenue and gross margin. Our Automotive segment's results of operations also include automotive services labor. Automotive services labor revenues are included in other revenues from operations in our condensed consolidated statements of operations, however, the sale of any installed parts or materials related to automotive services are included in net sales. Therefore, we discuss the combined results of our automotive net sales and automotive services labor revenues below.

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	(in millions)			
Net sales and other revenue from operations	\$ 660	\$ 744	\$ 1,882	\$ 2,181
Cost of goods sold and other expenses from operations	466	534	1,375	1,558
Gross margin	<u>\$ 194</u>	<u>\$ 210</u>	<u>\$ 507</u>	<u>\$ 623</u>

### Three Months Ended September 30, 2020 and 2019

Net sales and other revenue from operations for our Automotive segment for the three months ended September 30, 2020 decreased by \$84 million (11%) as compared to the comparable prior year period. The decrease was attributable to a decrease in aftermarket parts sales of \$55 million (14%) and a decrease in automotive services revenues of \$29 million (8%). On an organic basis, aftermarket parts sales decreased \$7 million over the comparable periods due to a decrease in commercial sales of \$6 million (2%) and a decrease in retail sales of \$1 million (1%). Store closures related to the transformation plan accounted for another \$48 million decrease in aftermarket parts sales. The decrease in automotive services revenues represents a decrease on a primarily organic basis. The COVID-19 pandemic, and the impacts of the actions taken by governments and others, have significantly contributed to the decline in revenues, in particular the automotive services revenues and commercial sales revenues which, until March 2020, were experiencing growth on an organic basis.

Cost of goods sold and other expenses from operations for the three months ended September 30, 2020 decreased by \$68 million (13%) as compared to the comparable prior year period. The decrease was due to lower sales volumes as described above. Gross margin on net sales and other revenue from operations for the three months ended September 30, 2020 decreased by \$16 million (8%) as compared to the comparable prior year period. Gross margin as a percentage of net sales and other revenue from operations was 29% and 28% for the three months ended September 30, 2020 and 2019, respectively. Due to the COVID-19 pandemic, our Automotive segment accelerated planned store closures, shifting our Automotive segment's business from a majority attributable to aftermarket parts sales to a majority attributable to higher margin automotive services. This was offset in part by some margin rate contraction for its existing aftermarket parts businesses due to the effect of the shift in aftermarket parts sales from retail to commercial and the negative impacts from the COVID-19 pandemic.

*Nine Months Ended September 30, 2020 and 2019*

Net sales and other revenue from operations for our Automotive segment for the nine months ended September 30, 2020 decreased by \$299 million (14%) as compared to the comparable prior year period. The decrease was attributable to a decrease in aftermarket parts sales of \$184 million (16%) and a decrease in automotive services revenues of \$115 million (11%). On an organic basis, aftermarket parts sales decreased \$79 million over the comparable periods due to a decrease in commercial sales of \$44 million (6%) and a decrease in retail sales of \$35 million (12%). Store closures related to the transformation plan accounted for another \$105 million decrease in aftermarket parts sales. The decrease in automotive services revenues represent a decrease on a primarily organic basis. The COVID-19 pandemic, and the impacts of the actions taken by governments and others, have significantly contributed to the decline in revenues, in particular the automotive services revenues and commercial sales revenues which, until March 2020, were experiencing growth on an organic basis.

Cost of goods sold and other expenses from operations for the nine months ended September 30, 2020 decreased by \$183 million (12%) as compared to the comparable prior year period. The decrease was due to lower sales volumes as described above. Gross margin on net sales and other revenue from operations for the nine months ended September 30, 2020 decreased by \$116 million (19%) as compared to the comparable prior year period. Gross margin as a percentage of net sales and other revenue from operations was 27% and 29% for the nine months ended September 30, 2020 and 2019, respectively. Our Automotive segment has experienced some margin rate contraction for its aftermarket parts businesses due to the effect of stores that were in the process of closing down and the shift in aftermarket parts sales from retail to commercial, as well as from the negative impact from the COVID-19 pandemic, as described above. This was offset in part by the acceleration of planned store closures, which resulted in a greater portion of our Automotive segment's business being derived from higher margin automotive services, as described above.

***Food Packaging***

Our Food packaging segment's results of operations are primarily driven by the production and sale of cellulosic, fibrous and plastic casings for the processed meat and poultry industry and derives a majority of its total net sales from customers located outside the United States.

*Three Months Ended September 30, 2020 and 2019*

Net sales for the three months ended September 30, 2020 increased \$7 million (7%) as compared to the comparable prior year period. The increase was due to an increase of \$3 million in volumes, an increase of \$3 million due to price and product mix and \$1 million from the favorable effects of foreign exchange. Cost of goods sold for the three months ended September 30, 2020 increased by \$4 million (5%) as compared to the comparable prior year period due to an increase in volumes. Gross margin as a percentage of net sales was 20% and 18% for the three months ended September 30, 2020 and 2019, respectively.

*Nine Months Ended September 30, 2020 and 2019*

Net sales for the nine months ended September 30, 2020 increased \$16 million (6%) as compared to the comparable prior year period. The increase was due to an increase of \$10 million in volumes and an increase of \$8 million due to

price and product mix, offset in part by \$2 million from the unfavorable effects of foreign exchange. Cost of goods sold for the nine months ended September 30, 2020 increased by \$13 million (6%) as compared to the comparable prior year period due to an increase in volumes. Gross margin as a percentage of net sales was 21% and 21% for the nine months ended September 30, 2020 and 2019, respectively.

### **Metals**

The scrap metals business is highly cyclical and is substantially dependent upon the overall economic conditions in the United States and other global markets. Ferrous and non-ferrous scrap has been historically vulnerable to significant declines in consumption and product pricing during prolonged periods of economic downturn or stagnation.

#### Three Months Ended September 30, 2020 and 2019

Net sales for the three months ended September 30, 2020 increased by \$1 million (1%) compared to the comparable prior year period. Cost of goods sold for the three months ended September 30, 2020 decreased by \$6 million (7%) compared to the comparable prior year period due to lower material costs. Gross margin as a percentage of net sales was 6% and (2)% for the three months ended September 30, 2020 and 2019, respectively, primarily due to higher material margins.

#### Nine Months Ended September 30, 2020 and 2019

Net sales for the nine months ended September 30, 2020 decreased by \$67 million (25%) compared to the comparable prior year period due to lower shipping volumes and market selling prices for most grades of metal due to unfavorable market conditions driven by the impact of the COVID-19 pandemic. Cost of goods sold for the nine months ended September 30, 2020 decreased by \$67 million (25%) compared to the comparable prior year period due to lower material costs due to lower volumes and market prices, as discussed above. Gross margin as a percentage of net sales was less than 1% for each of the nine months ended September 30, 2020 and 2019, respectively.

### **Real Estate**

Real Estate revenues and expenses primarily include sales of residential units, results from club operations, rental operations, and hotel, timeshare and casino operations. Sales of residential units are included in net sales in our condensed consolidated statements of operations. Results from club and rental operations, and hotel, timeshare and casino operations are included in other revenues from operations in our condensed consolidated statements of operations. Revenue from our real estate operations for each of the three and nine months ended September 30, 2020 and 2019 were primarily derived from the sale of residential units and rental operations.

### **Home Fashion**

Our Home Fashion segment is significantly influenced by the overall economic environment, including consumer spending, at the retail level, for home textile products.

#### Three Months Ended September 30, 2020 and 2019

Net sales for the three months ended September 30, 2020 increased by \$2 million (4%) compared to the comparable prior year period. Cost of goods sold for the three months ended September 30, 2020 decreased \$1 million (2%) compared to the comparable prior year period due to a shift to lower cost products. Gross margin as a percentage of net sales was 21% and 16% for the three months ended September 30, 2020 and 2019, respectively. The increase is due to the reduction in sales to certain lower margin customers as well as the addition of newly added higher margin products.

#### Nine Months Ended September 30, 2020 and 2019

Net sales for the nine months ended September 30, 2020 increased by \$6 million (4%) compared to the comparable prior year period due to a business acquired in the second quarter of 2019, which accounted for an increase of \$21

million, offset in part by a \$15 million decrease from existing businesses, primarily as a result of the current economic conditions. Cost of goods sold for the nine months ended September 30, 2020 decreased by \$4 million (3%) compared to the comparable prior year period due to a decrease in sales from existing businesses, as discussed above, as well as a shift to lower cost products, offset in part by an increase from the acquired business. Gross margin as a percentage of net sales was 21% and 14% for the nine months ended September 30, 2020 and 2019, respectively. The increase is due to the reduction in sales to certain lower margin customers, the business acquired having higher margins than the existing businesses and due to the addition of newly added higher margin products.

### ***Holding Company***

Our Holding Company's results of operations primarily reflect investment gains and losses from equity investments and the interest expense on its senior unsecured notes for each of the three and nine months ended September 30, 2020 and 2019.

### ***Other Consolidated Results of Operations***

#### **Gain on Disposition of Assets, Net**

In August 2019, we sold Ferrous Resources, resulting in a pretax gain on disposition of assets of \$252 million for the three and nine months ended September 30, 2019.

#### **Selling, General and Administrative**

##### ***Three Months Ended September 30, 2020 and 2019***

Our consolidated selling, general and administrative during the three months ended September 30, 2020 decreased by \$62 million (18%) as compared the comparable prior year period primarily due to lower occupancy costs for various locations and other general and administrative costs due to the current market conditions for our Automotive segment as well as from our Energy segment due to lower deferred compensation costs.

##### ***Nine Months Ended September 30, 2020 and 2019***

Our consolidated selling, general and administrative during the nine months ended September 30, 2020 decreased by \$138 million (13%) as compared the comparable prior year period primarily due to (i) lower occupancy costs for various locations and other general and administrative costs due to the current market conditions for our Automotive segment, (ii) lower deferred compensation costs for our Energy segment and (iii) the sale of our former Mining segment in August 2019, offset in part by an increase attributable to our Real Estate segment primarily for the accrual of demolition costs relating to a property not in service.

#### **Interest Expense**

##### ***Three Months Ended September 30, 2020 and 2019***

Our consolidated interest expense during the three months ended September 30, 2020 increased by \$18 million (12%) as compared the comparable prior year period. The increase was primarily due to higher interest expense from our Investment segment attributable to an increase in average due to broker balances over the respective periods as well as higher interest expense from our Energy segment as a result of certain debt offerings in the first quarter of 2020.

##### ***Nine Months Ended September 30, 2020 and 2019***

Our consolidated interest expense during the nine months ended September 30, 2020 increased by \$74 million (17%) as compared the comparable prior year period. The increase was primarily due to higher interest expense from our Investment segment attributable to an increase in average due to broker balances over the respective periods as well as higher interest expense from our Energy segment as a result of certain debt offerings in the first quarter of 2020.

## Income Tax Expense

Certain of our subsidiaries are partnerships not subject to taxation in our condensed consolidated financial statements and certain other subsidiaries are corporations, or subsidiaries of corporations, subject to taxation in our condensed consolidated financial statements. Therefore, our consolidated effective tax rate generally differs from the statutory federal tax rate. Refer to Note 13, "Income Taxes," to the condensed consolidated financial statements for a discussion of income taxes.

## Liquidity and Capital Resources

### *Holding Company Liquidity*

We are a holding company. Our cash flow and our ability to meet our debt service obligations and make distributions with respect to depositary units will depend on the cash flow resulting from divestitures, equity and debt financings, interest income, returns on our interests in the Investment Funds and the payment of funds to us by our subsidiaries in the form of loans, dividends and distributions. We may pursue various means to raise cash from our subsidiaries. To date, such means include receipt of dividends and distributions from subsidiaries, obtaining loans or other financings based on the asset values of subsidiaries or selling debt or equity securities of subsidiaries through capital market transactions. To the degree any distributions and transfers are impaired or prohibited, our ability to make payments on our debt or distributions on our depositary units could be limited. The operating results of our subsidiaries may not be sufficient for them to make distributions to us. In addition, our subsidiaries are not obligated to make funds available to us 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.

As of September 30, 2020, our Holding Company had cash and cash equivalents of approximately \$1.1 billion and total debt of approximately \$5.8 billion. During the nine months ended September 30, 2020, we invested \$750 million in the Investment Funds, net of redemptions. As of September 30, 2020, our Holding Company had investments in the Investment Funds with a total fair market value of approximately \$4.0 billion. We may redeem our direct investment in the Investment Funds upon notice. See "Investment Segment Liquidity" below for additional information with respect to our Investment segment liquidity. See "Consolidated Cash Flows" below for additional information with respect to our Holding Company liquidity.

### *Holding Company Borrowings and Availability*

	September 30, 2020	December 31, 2019
	(in millions)	
5.875% senior unsecured notes due 2022	\$ —	\$ 1,345
6.250% senior unsecured notes due 2022	1,209	1,211
6.750% senior unsecured notes due 2024	499	498
4.750% senior unsecured notes due 2024	1,107	498
6.375% senior unsecured notes due 2025	748	748
6.250% senior unsecured notes due 2026	1,250	1,250
5.250% senior unsecured notes due 2027	999	747
	<u>\$ 5,812</u>	<u>\$ 6,297</u>

Holding Company debt consists of various issues of fixed-rate senior unsecured notes issued by the Issuers and guaranteed by Icahn Enterprises Holdings (the "Guarantor"). Interest on each tranche of senior unsecured notes are payable semi-annually.

In January 2020, the Issuers issued an additional \$600 million in aggregate principal amount of the New 2024 Notes and an additional \$250 million in aggregate principal amount of the New 2027 Notes. The additional proceeds from the New Notes, together with cash on hand, were used to redeem all of our prior outstanding \$1.35 billion principal amount of 5.875% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses.

Each of our senior unsecured notes and the related guarantees are the senior unsecured obligations of the Issuers and rank equally with all of the Issuers' and the Guarantor's existing and future senior unsecured indebtedness and senior to all of the Issuers' and the Guarantor's existing and future subordinated indebtedness. Each of our senior unsecured notes and the related guarantees are effectively subordinated to the Issuers' and the Guarantor's existing and future secured indebtedness to the extent of the collateral securing such indebtedness. Each of our senior unsecured notes and the related guarantees are also effectively subordinated to all indebtedness and other liabilities of the Issuers' subsidiaries other than the Guarantor.

The indentures governing our senior unsecured notes described above restrict the payment of cash distributions, the purchase of equity interests or the purchase, redemption, defeasance or acquisition of debt subordinated to the senior unsecured notes. The indentures also restrict the incurrence of debt or the issuance of disqualified stock, as defined in the indentures, with certain exceptions. In addition, the indentures require that on each quarterly determination date, Icahn Enterprises and the guarantor of the notes (currently only Icahn Enterprises Holdings) maintain certain minimum financial ratios, as defined therein. The indentures also restrict the creation of liens, mergers, consolidations and sales of substantially all of our assets, and transactions with affiliates. Additionally, each of the senior unsecured notes outstanding as of September 30, 2020, except for the New 2024 Notes and the New 2027 Notes, are subject to optional redemption premiums in the event we redeem any of the notes prior to certain dates as described in the indentures.

As of September 30, 2020 and December 31, 2019, we were in compliance with all covenants, including maintaining certain minimum financial ratios, as defined in the indentures. Additionally, as of September 30, 2020, based on covenants in the indentures governing our senior unsecured notes, we are not permitted to incur additional indebtedness.

#### *2019 At-The-Market Offering*

On May 2, 2019, Icahn Enterprises announced the commencement of its "at-the-market" offering pursuant to its Open Market Sale Agreement, pursuant to which Icahn Enterprises may sell its depositary units, from time to time, during the term of the program ending on March 31, 2021, for up to \$400 million in aggregate sale proceeds. During the nine months ended September 30, 2020, Icahn Enterprises sold 1,118,596 depositary units pursuant to this agreement, resulting in gross proceeds of \$60 million. As of September 30, 2020, Icahn Enterprises may sell its depositary units for up to an additional \$285 million in aggregate sale proceeds pursuant to this agreement. No assurance can be made that any or all amounts will be sold during the term of the program.

#### *LP Unit Distributions*

During the nine months ended September 30, 2020, we declared three quarterly distributions aggregating \$6.00 per depositary unit. In connection with these distributions, aggregate cash distributions to all depositary unitholders was \$483 million, primarily due to Mr. Icahn and his affiliates' significant ownership of Icahn Enterprises' depositary units.

On November 4, 2020, the Board of Directors of the general partner of Icahn Enterprises declared a quarterly distribution in the amount of \$2.00 per depositary unit. The quarterly distribution is payable in either cash or additional depositary units, at the election of each depositary unitholder and will be paid on or about December 29, 2020 to depositary unitholders of record at the close of business on November 24, 2020.

The declaration and payment of distributions is reviewed quarterly by Icahn Enterprises GP's board of directors based upon a review of our balance sheet and cash flow, our expected capital and liquidity requirements, the provisions of our partnership agreement and provisions in our financing arrangements governing distributions, and keeping in mind that limited partners subject to U.S. federal income tax have recognized income on our earnings even if they do not receive distributions that could be used to satisfy any resulting tax obligations. The payment of future distributions will be determined by the board of directors quarterly, based upon the factors described above and other factors that it deems relevant at the time that declaration of a distribution is considered. Payments of distributions are subject to certain restrictions, including certain restrictions on our subsidiaries which limit their ability to distribute dividends to us. There can be no assurance as to whether or in what amounts any future distributions might be paid.

### *Subsequent Events*

In October 2020, in connection with Viskase's equity private placement, we acquired an additional 50,000,000 shares of Viskase common stock for \$100 million.

### ***Investment Segment Liquidity***

During the nine months ended September 30, 2020, we invested \$750 million in the Investment Funds, net of redemptions, and affiliates of Mr. Icahn (excluding us) contributed approximately \$1.2 billion of primarily like-kind investments in the Investment Funds. In addition to investments by us and Mr. Icahn, the Investment Funds historically have access to significant amounts of cash available from prime brokerage lines of credit, subject to customary terms and market conditions.

Additionally, our Investment segment liquidity is driven by the investment activities and performance of the Investment Funds. As of September 30, 2020, the Investment Funds' had a net long notional exposure of 8%. The Investment Funds' long exposure was 70% (69% long equity and 1% long credit) and its short exposure was 62% (34% short equity and 28% short credit and other). The notional exposure represents the ratio of the notional exposure of the Investment Funds' invested capital to the net asset value of the Investment Funds at September 30, 2020.

The Investment Funds' 70% long exposure was comprised of the fair value of its long positions (with certain adjustments). Of the Investment Funds' 62% short exposure, 11% was comprised of the fair value of its short positions and 51% was comprised of short broad market index swap derivative contracts and short credit default swap contracts.

With respect to both our long positions that are not notionalized (70% long exposure) and our short positions that are not notionalized (11% short exposure), each 1% change in exposure as a result of purchases or sales (assuming no change in value) would have a 1% impact on our cash and cash equivalents (as a percentage of net asset value). Changes in exposure as a result of purchases and sales as well as adverse changes in market value would also have an effect on funds available to us pursuant to prime brokerage lines of credit.

With respect to the notional value of our other short positions (51% short exposure), our liquidity would decrease by the balance sheet unrealized loss if we were to close the positions at quarter end prices. This would be offset by a release of restricted cash balances collateralizing these positions as well as an increase in funds available to us pursuant to certain prime brokerage lines of credit. If we were to increase our short exposure by adding to these short positions, we would be required to provide cash collateral equal to a small percentage of the initial notional value at counterparties that require cash as collateral and then post additional collateral equal to 100% of the mark to market on adverse changes in fair value. For our counterparties who do not require cash collateral, funds available from lines of credit would decrease.

### ***Other Segment Liquidity***

#### *Segment Cash and Cash Equivalents*

Segment cash and cash equivalents (excluding our Investment segment) consists of the following:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	(in millions)	
Energy	\$ 672	\$ 652
Automotive	55	46
Food Packaging	12	22
Metals	2	3
Real Estate	18	53
Home Fashion	3	1
	<u>\$ 762</u>	<u>\$ 777</u>

*Segment Borrowings and Availability*

Segment debt consists of the following:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>
	(in millions)	
Energy	\$ 1,690	\$ 1,195
Automotive	333	405
Food Packaging	258	268
Metals	23	7
Real Estate	2	2
Home Fashion	28	18
	<u>\$ 2,334</u>	<u>\$ 1,895</u>

Refer to our Annual Report on Form 10-K for the year ended December 31, 2019 for information concerning terms, restrictions and covenants pertaining to our subsidiaries' debt. As of September 30, 2020, all of our subsidiaries were in compliance with all debt covenants.

In January 2020, CVR Energy issued \$600 million in aggregate principal amount of 5.25% senior unsecured notes due 2025 and \$400 million in aggregate principal amount of 5.75% senior unsecured notes due 2028. A portion of the net proceeds from the issuance of these notes were used to fund the redemption of CVR Refining's existing senior unsecured notes due 2022. The remaining net proceeds will be used for CVR Energy's general corporate purposes, which may include funding (i) acquisitions, (ii) capital projects, and/or (iii) share repurchases or other distributions to CVR Energy's stockholders.

In October 2020, Viskase entered into a credit agreement providing for a \$150 million term loan and a \$30 million revolving credit facility. The proceeds from the new term loan, plus cash received from the equity private placement in October 2020, as discussed in Note 1, "Description of Business," were used to repay in full Viskase's existing term loan. The new term loan and credit facility mature in 2023.

Our segments have additional borrowing availability under certain revolving credit facilities as summarized below:

	<b>September 30, 2020</b>
	(in millions)
Energy	\$ 418
Automotive	132
Food Packaging	6
Metals	25
Home Fashion	10
	<u>\$ 591</u>

The above outstanding debt and borrowing availability with respect to each of our continuing operating segments reflects third-party obligations.

*Subsidiary Dividends*

In view of the uncertainty of the depth and extent of the contraction in oil demand due to the COVID-19 pandemic, combined with the weaker commodity price environment, CVR Energy has remained focused on safe and reliable operations, cash conservation and protecting its balance sheet. As a result of these factors, and in light of the uncertainty of the current economic environment as well as potential future cash requirements of CVR Energy, the Board of Directors of CVR Energy approved a reduction in its cash dividend for the first quarter of 2020 and elected not to declare a cash dividend for the second and third quarters of 2020. These decisions support CVR Energy's continued

focus on financial discipline through a balanced approach of stockholder distributions and strategic investments while providing the flexibility to weather the uncertain environment. The Board of Directors of CVR Energy will continue to evaluate the economic environment, CVR Energy's cash needs, and other applicable factors, and may elect to make additional changes to CVR Energy's dividend in future periods.

#### *Subsidiary Stock Repurchase Program*

On October 23, 2019, the Board of Directors of CVR Energy approved a stock repurchase program which would enable it to repurchase up to \$300 million of its common stock from time to time through open market transactions, block trades, privately negotiated transactions or otherwise in accordance with applicable securities laws. The stock repurchase program has a duration of four years, which may be terminated by the Board of Directors of CVR Energy at any time. Repurchases, if any, including the timing, price and amount, may be made at the discretion of CVR Energy management and CVR Energy is not obligated to make any repurchases. CVR Energy did not repurchase any shares of its common stock as of September 30, 2020. Due to the market and oil price volatility, coupled with the current economic conditions, CVR Energy does not currently intend to repurchase any stock if these, and other, conditions continue.

On May 6, 2020, the Board of Directors of CVR Partners' general partner approved a unit repurchase program which would enable it to repurchase up to \$10 million of its common units from time to time through open market transactions, block trades, privately negotiated transactions or otherwise in accordance with applicable securities laws. During 2020, CVR Partners repurchased common units on the open market at a cost of \$2 million. As of September 30, 2020, CVR Partners has \$8 million remaining under its unit repurchase program.

#### **Consolidated Cash Flows**

Our Holding Company's cash flows are generally driven by payments and proceeds associated with our senior unsecured debt obligations and payments and proceeds associated with equity transactions with Icahn Enterprises' depositary unitholders. Additionally, our Holding Company's cash flows include transactions with our Investment and other operating segments. Our Investment segment's cash flows are primarily driven by investment transactions, which are included in net cash flows from operating activities due to the nature of its business, as well as contributions to and distributions from Mr. Icahn and his affiliates (including Icahn Enterprises and Icahn Enterprises Holdings), which are included in net cash flows from financing activities. Our other operating segments' cash flows are driven by the activities and performance of each business as well as transactions with our Holding Company, as discussed below.

The following table summarizes cash flow information for Icahn Enterprises' reporting segments and our Holding Company:

	<u>Nine Months Ended September 30, 2020</u>			<u>Nine Months Ended September 30, 2019</u>		
	<u>Net Cash Provided By (Used In)</u>			<u>Net Cash Provided By (Used In)</u>		
	<u>Operating Activities</u>	<u>Investing Activities</u>	<u>Financing Activities</u>	<u>Operating Activities</u>	<u>Investing Activities</u>	<u>Financing Activities</u>
	(in millions)					
Holding Company	\$ (266)	\$ (867)	\$ (919)	\$ (270)	\$ 893	\$ 1
Investment	912	—	751	(2,264)	—	220
<u>Other Operating Segments:</u>						
Energy	62	(396)	361	653	(73)	(556)
Automotive	19	41	(51)	(81)	(98)	184
Food Packaging	8	(10)	(7)	(11)	(12)	(4)
Metals	(20)	(1)	16	5	(31)	9
Real Estate	14	(3)	(39)	12	(18)	(17)
Home Fashion	(5)	(4)	9	(5)	(32)	38
Mining	—	—	—	93	(14)	4
Other operating segments	78	(373)	289	666	(278)	(342)
Total before eliminations	724	(1,240)	121	(1,868)	615	(121)
Eliminations	—	689	(689)	—	16	(16)
Consolidated	<u>\$ 724</u>	<u>\$ (551)</u>	<u>\$ (568)</u>	<u>\$ (1,868)</u>	<u>\$ 631</u>	<u>\$ (137)</u>

#### *Eliminations*

Eliminations in the table above relate to certain of our Holding Company's transactions with our Investment and other operating segments. Our Holding Company's net (investments in) distributions from the Investments Funds, when applicable, are included in cash flows from investing activities for our Holding Company and cash flows from financing activities for our Investment segment. Similarly, our Holding Company's net distributions from (investments in) our other operating segments are included in cash flows from investing activities for our Holding Company and cash flows from financing activities for our other operating segments. In addition, during January 2019, our Holding Company sold its direct investment in CVR Refining to CVR Energy, which is included in cash flows from investing activities for our Holding Company and cash flows from financing activities for our Energy segment.

#### *Holding Company*

Our Holding Company's cash flows from operating activities for each of the nine months ended September 30, 2020 and 2019 were primarily attributable to our semi-annual interest payments on our senior unsecured notes. The decrease in interest payments over the comparable periods is due to the timing of the payment of the semi-annual interest as our recent debt transactions resulted in a change in certain interest payment dates as well as a lower weighted average interest rate over the comparative periods.

Our Holding Company's cash flows from investing activities for the nine months ended September 30, 2020 were primarily due to our investment in the Investment Funds of \$750 million (net of redemptions), aggregate purchases of investments for \$177 million and net contributions and loans to our operating subsidiaries of \$63 million, including a net investment in our Automotive segment of \$60 million. This was offset in part by net cash dividends and distributions from our Energy and Real Estate segments aggregating \$124 million. Our Holding Company's cash flows from investing activities for the nine months ended September 30, 2019 were primarily due to our sale of a certain equity investment for which we received \$458 million, the sale of Ferrous Resources for which we received \$451 million and the sale of our direct investment in CVR Refining to CVR Energy for \$60 million. During the nine months ended September 30, 2019, we also received net cash dividends and distributions from our Energy and Real Estate segments aggregating \$176 million and we had aggregate investments in our Automotive segment of \$221 million and an investment in our Home Fashion segment of \$31 million.

Our Holding Company's cash flows from financing activities for the nine months ended September 30, 2020 included the issuances of additional senior unsecured notes and proceeds from our "at-the-market" offering, offset in part by the repayment of senior unsecured notes and related fees and expenses, as described above, as well as payments on our aggregate quarterly distributions. Our Holding Company's cash flows from financing activities for the nine months ended September 30, 2019 included the issuances of additional senior unsecured notes and proceeds from our "at-the-market" offering, offset in part by payments on our aggregate quarterly distributions.

#### *Investment Segment*

Our Investment segment's cash flows from operating activities for the comparable periods were attributable to its net investment transactions.

Our Investment segment's cash flows from financing activities for the nine months ended September 30, 2020 were attributable to our investment in the Investment Funds of \$750 million, net of redemptions, and \$1 million from Mr. Icahn and his affiliates (excluding us). Our Investment segment's cash flows from financing activities for the nine months ended September 30, 2019 were attributable to Mr. Icahn and his affiliates' (excluding us) investments in the Investment Funds of \$220 million.

#### *Other Operating Segments*

Our other operating segments' cash flows from operating activities included net cash flows from operating activities before changes in operating assets and liabilities of \$6 million and \$559 million for the nine months ended September 30, 2020 and 2019, respectively. The change in cash flows from operating activities for the nine months ended September 30, 2020 as compared to the comparable prior year period was primarily due to a decline in the operating results of our Energy segment as well as unfavorable changes in working capital also attributable to our Energy segment, offset in part by an increase in working capital for our Automotive segment due to inventory reductions over the comparable periods. In addition, our cash flows from operating activities decreased by \$93 million as a result of the exclusion of Ferrous Resources in 2020, which was sold in August 2019.

Our other operating segments' cash flows from investing activities were primarily due to the purchase of investments of \$140 million in 2020 compared to \$50 million in 2019 and due to capital expenditures of \$155 million in 2020 and \$195 million in 2019, primarily within our Energy and Automotive segments for both periods. In addition, our Energy segment had payments for scheduled turnaround expenses of \$158 million in 2020 compared to \$24 million in 2019. Our other operating segments also had net payments for the acquisitions of businesses in 2020 of \$2 million, net of cash acquired, compared to \$52 million, net of cash acquired in 2019.

Our other operating segments' cash flows from financing activities were primarily due to our Energy segment. In 2020, our Energy segment had net proceeds from senior debt transactions of \$500 million and in 2019 our Energy segment had payments to acquire the remaining common units of CVR Refining not already owned by CVR Energy of \$301 million, including \$60 million paid to our Holding Company for our direct ownership in CVR Refining. In addition, our other operating segments also had net distributions to our Holding Company of \$61 million for the nine months ended September 30, 2020 compared to net contributions of \$76 million from our Holding Company for the nine months ended September 30, 2019, as described above. For the nine months ended September 30, 2020 and 2019, our Energy segment had distributions to non-controlling interests of \$36 million and \$90 million, respectively.

#### ***Consolidated Capital Expenditures***

Our Energy segment accounts for a significant portion of our capital expenditures. As a result of the current economic conditions, our Energy segment revised its planned capital expenditures down approximately 10% for 2020, which is subject to further change due to unanticipated changes in the cost, scope, and completion time for capital projects. Although other subsidiaries of ours have curtailed their capital expenditures, there have been no other material changes to our planned capital expenditures as compared to the estimated capital expenditures for 2020 reported in our Annual Report on Form 10-K for the year ended December 31, 2019. However, such estimated capital expenditures are

subject to further revisions due to the uncertainty of the scope and duration of the impact of the current economic conditions.

#### ***Consolidated Contractual Commitments and Contingencies***

There have been no material changes to our contractual commitments and contingencies during the nine months ended September 30, 2020 as compared to those reported in our Annual Report on Form 10-K for the year ended December 31, 2019.

#### ***Consolidated Off-Balance Sheet Arrangements***

We have off-balance sheet risk related to investment activities associated with certain financial instruments, including futures, options, credit default swaps and securities sold, not yet purchased. For additional information regarding these arrangements, see Note 6, "Financial Instruments," to the condensed consolidated financial statements.

#### **Critical Accounting Policies and Estimates**

The critical accounting policies and estimates used in the preparation of our condensed consolidated financial statements that we believe affect our more significant judgments and estimates used in the preparation of our condensed consolidated financial statements presented in this Report are described in Management's Discussion and Analysis of Financial Condition and Results of Operations and in the Notes to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2019.

There have been no material changes to our critical accounting policies and estimates during the nine months ended September 30, 2020 as compared to those reported in our Annual Report on Form 10-K for the year ended December 31, 2019.

#### **Recently Issued Accounting Standards**

Refer to Note 2, "Basis of Presentation and Summary of Significant Accounting Policies," to the condensed consolidated financial statements for a discussion of recent accounting pronouncements applicable to us.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Except as discussed below, information about our quantitative and qualitative disclosures about market risk did not differ materially from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2019.

#### ***Market Risk***

Our predominant exposure to market risk is related to our Investment segment and the sensitivities to movements in the fair value of the Investment Funds' investments.

#### ***Investment***

The fair value of the financial assets and liabilities of the Investment Funds primarily fluctuates in response to changes in the value of securities. The net effect of these fair value changes impacts the net gains from investment activities in our condensed consolidated statements of operations. The Investment Funds' risk is regularly evaluated and is managed on a position basis as well as on a portfolio basis. Senior members of our investment team meet on a regular basis to assess and review certain risks, including concentration risk, correlation risk and credit risk for significant positions. Certain risk metrics and other analytical tools are used in the normal course of business by the Investment segment.

The Investment Funds hold investments that are reported at fair value as of the reporting date, which include securities owned, securities sold, not yet purchased and derivatives as reported on our condensed consolidated balance sheets. Based on their respective balances as of September 30, 2020, we estimate that in the event of a 10% adverse change in the fair value of these investments, the fair values of securities owned, securities sold, not yet purchased and derivatives would be negatively impacted by approximately \$618 million, \$97 million and \$612 million, respectively. However, as of September 30, 2020, we estimate that the impact to our share of the net gain (loss) from investment activities reported in our condensed consolidated statement of operations would be less than the change in fair value since we have an investment of approximately 46% in the Investment Funds, and the non-controlling interests in income would correspondingly offset approximately 54% of the change in fair value.

#### **Item 4. Controls and Procedures**

As of September 30, 2020, our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of Icahn Enterprises' and Icahn Enterprises Holdings' and subsidiaries' disclosure controls and procedures pursuant to the Rule 13a-15(e) and 15d-15(e) promulgated under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, due to a material weakness in internal control over financial reporting described in Part II, Item 9A of our joint Annual Report on Form 10-K for the year ended December 31, 2019, our disclosure controls and procedures are not effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and include controls and procedures designed to ensure that information required to be disclosed by us in such reports is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

During the quarter ended March 31, 2020, we implemented a plan of remediation that includes a more formalized process, quarterly discussions with the Investment Segment and Legal Departments and a detailed review performed on the analysis. During the first three quarters of 2020, our plan of remediation was in place and operating as designed. However, the material weakness will not be considered remediated until the applicable control operates for a sufficient period of time and management has concluded, through testing, that this control is operating effectively. We expect that the remediation of this material weakness will be completed prior to the end of 2020.

#### **Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting during the quarter ended September 30, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

We are, and will continue to be, subject to litigation from time to time in the ordinary course of business. Refer to Note 16, “Commitments and Contingencies” to the condensed consolidated financial statements, which is incorporated by reference into this Part II, Item 1 of this Report, for information regarding our lawsuits and proceedings. Except for the lawsuits and proceedings disclosed in Note 16, there were no material changes to our lawsuits and proceedings as compared to those reported in our Annual Report on Form 10-K for the year ended December 31, 2019.

### Item 1A. Risk Factors

Except for the risk factors disclosed below, there were no material changes to our risk factors during the nine months ended September 30, 2020 as compared to those reported in our Annual Report on Form 10-K for the year ended December 31, 2019.

***The COVID-19 pandemic may have a material adverse impact on our and our subsidiaries’ operations and financial performance, as well as on the operations and financial performance of many of the customers and suppliers in our operating segments. We are unable to predict the extent to which the pandemic and related impacts will adversely impact our business operations, financial performance, results of operations, and financial position.***

Our and our subsidiaries’ operations and financial performance have been negatively impacted by the COVID-19 pandemic that has caused, and is expected to continue to cause, the global slowdown of economic activity, disruptions in global supply chains and significant volatility and disruption of financial markets. Because the severity, magnitude and duration of the COVID-19 pandemic and its economic consequences are uncertain, rapidly changing and difficult to predict, the pandemic’s impact on our and our subsidiaries’ operations and financial performance, remains uncertain.

Our consolidated results of operations and financial condition have been impacted primarily by the net declines in fair value of investments held by our Investment segment and the Holding Company as well as declines in the global demand for crude oil, refined products and liquid transportation fuels with respect to our Energy segment. The impact on our businesses has also included the acceleration of planned store closures in our Automotive segment, lowering current year forecasts across various segments and recording write-downs to inventories and other assets. In addition, the COVID-19 pandemic may subject our and our subsidiaries’ operations, financial performance and financial condition to a number of additional operational-related, market-related and liquidity and funding-related risks.

The COVID-19 pandemic may also have the effect of heightening many of the other risks described in the risk factors in our Annual Report on Form 10-K for the year ended December 31, 2019. In particular, see the risk factors: “We are a holding company and dependent upon the businesses of our subsidiaries to satisfy our obligations”; “To service our indebtedness, we will require a significant amount of cash”; “Our ability to maintain our current cash position or generate cash depends on many factors beyond our control”; “We have made significant investments in the Investment Funds and negative performance of the Investment Funds may result in a significant decline in the value of our investments”; “We need qualified personnel to manage and operate our various businesses”; “Global economic conditions may have adverse impacts on our businesses and financial condition”; and “Our Energy segment’s businesses are, and commodity prices are, cyclical and highly volatile, which could have a material adverse effect on our results of operations, financial condition and cash flows.”

The extent to which the COVID-19 pandemic may negatively impact our business and operations will depend on the severity, location, and duration of the effects and spread of COVID-19, the actions undertaken by national, regional, and local governments and health officials to contain such virus or remedy its effects, and if, how quickly and to what extent economic conditions recover and normal business and operating conditions resume. Further, the COVID-19 pandemic may affect our operating and financial results in a manner that is not presently known to us or that we currently do not expect to present significant risks to our operations or financial results.

***The Investment Funds' investment strategy involves numerous and significant risks, including the risk that we may lose some or all of our investments in the Investment Funds. This risk may be magnified due to concentration of investments and investments in undervalued securities.***

Our Investment segment's revenue depends on the investments made by the Investment Funds. There are numerous and significant risks associated with these investments, certain of which are described in this risk factor and in other risk factors set forth herein and in our Annual Report on Form 10-K for the year ended December 31, 2019.

Certain investment positions held by the Investment Funds may be illiquid. The Investment Funds may own restricted or non-publicly traded securities and securities traded on foreign exchanges. We also have significant influence with respect to certain companies owned by the Investment Funds, including representation on the board of directors of certain companies, and may be subject to trading restrictions with respect to specific positions in the Investment Funds at any particular time. These investments and trading restrictions could prevent the Investment Funds from liquidating unfavorable positions promptly and subject the Investment Funds to substantial losses.

At any given time, the Investment Funds' assets may become highly concentrated within a particular company, industry, asset category, trading style or financial or economic market. In that event, the Investment Funds' investment portfolio will be more susceptible to fluctuations in value resulting from adverse events, developments or economic conditions affecting the performance of that particular company, industry, asset category, trading style or economic market than a less concentrated portfolio would be. As a result, the Investment Funds' investment portfolio's aggregate returns may be volatile and may be affected substantially by the performance of only one or a few holdings.

As of September 30, 2020, our top five holdings in the Investment Funds had a market value of approximately \$4.3 billion, which represented approximately 48% of our assets under management for the Investment Segment. Our largest holding at September 30, 2020 was Herbalife Ltd. ("Herbalife"), which had a market value of \$957 million, and represented approximately 11% of our assets under management for the Investment Segment. Therefore, a significant decline in the fair market values of our larger positions may have a material adverse impact on our consolidated financial position, results of operations or cash flows and the trading price of our depositary units. For example, Herbalife previously disclosed in its public filings that the SEC and the Department of Justice (the "DOJ") have been conducting investigations into Herbalife's compliance with the Foreign Corrupt Practices Act (the "FCPA") in China, which are mainly focused on Herbalife's China external affairs expenditures, its China business activities, the adequacy of and compliance with Herbalife's internal controls in China, and the accuracy of Herbalife's books and records relating to its China operations. Herbalife has cooperated with the SEC and DOJ and has reached resolutions with each of them. On August 28, 2020, the SEC accepted Herbalife's offer of settlement and issued an administrative order finding that Herbalife violated the books and records and internal controls provisions of the FCPA. In addition, on August 28, 2020, Herbalife and the DOJ separately entered into a court-approved deferred prosecution agreement ("DPA"), under which the DOJ deferred criminal prosecution of Herbalife for a period of three years related to a conspiracy to violate the books and records provisions of the FCPA. Among other things, Herbalife is required to undertake compliance self-reporting obligations for the three-year term of the respective agreements with the SEC and the DOJ. If Herbalife remains in compliance with the DPA during its three-year term, the deferred charge against Herbalife will be dismissed with prejudice. In addition, Herbalife agreed to pay the SEC and the DOJ aggregate penalties, disgorgement and prejudgment interest of approximately \$123 million. Certain of the companies in our Investment Funds file annual, quarterly and current reports with the SEC, which are publicly available, and contain additional risk factors with respect to such companies.

The Investment Funds seek to invest in securities that are undervalued. The identification of investment opportunities in undervalued securities is challenging, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Investment Funds' investments may not adequately compensate for the business and financial risks assumed.

From time to time, the Investment Funds may invest in bonds or other fixed income securities, such as commercial paper and higher yielding (and, therefore, higher risk) debt securities. It is likely that a major economic recession could

severely disrupt the market for such securities and may have a material adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

For reasons not necessarily attributable to any of the risks set forth herein or in our Annual Report on Form 10-K for the year ended December 31, 2019 (e.g., supply/demand imbalances or other market forces), the prices of the securities in which the Investment Funds invest may decline substantially. In particular, purchasing assets at what may appear to be undervalued levels is no guarantee that these assets will not be trading at even more undervalued levels at a future time of valuation or at the time of sale.

The prices of financial instruments in which the Investment Funds may invest can be highly volatile. Price movements of forward and other derivative contracts in which the Investment Funds' assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Investment Funds are subject to the risk of failure of any of the exchanges on which their positions trade or of their clearinghouses.

**Item 6. Exhibits**

<b>Exhibit No.</b>	<b>Description</b>
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002 and Rule 13a-14(a) of the Securities Exchange Act of 1934.</a>
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002 and Rule 13a-14(a) of the Securities Exchange Act of 1934.</a>
32.1	<a href="#">Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) and Rule 13a-14(b) of the Securities Exchange Act of 1934.</a>
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (formatted in Inline XBRL in Exhibit 101).

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Icahn Enterprises L.P.**

By: Icahn Enterprises G.P. Inc., its  
general partner

By: /s/SungHwan Cho  
SungHwan Cho,  
Chief Financial Officer and Director

By: Icahn Enterprises G.P. Inc., its  
general partner

By: /s/Ted Papapostolou  
Ted Papapostolou,  
Chief Accounting Officer

Date: November 6, 2020

**Icahn Enterprises Holdings L.P.**

By: Icahn Enterprises G.P. Inc., its  
general partner

By: /s/SungHwan Cho  
SungHwan Cho,  
Chief Financial Officer and Director

By: Icahn Enterprises G.P. Inc., its  
general partner

By: /s/Ted Papapostolou  
Ted Papapostolou,  
Chief Accounting Officer

Date: November 6, 2020

## CERTIFICATION OF CHIEF EXECUTIVE OFFICER

**Pursuant to Section 302(a) of the Sarbanes Oxley Act of 2002 and  
Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, Keith Cozza, certify that:

1. I have reviewed this joint quarterly report on Form 10-Q of Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P. for the period ended September 30, 2020;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrants as of, and for, the periods presented in this report;

4. The registrants' other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrants and we have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrants' disclosure controls and procedures and presented in the report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrants' internal control over financial reporting that occurred during the registrants' most recent fiscal quarter (the registrants' fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrants' internal control over financial reporting.

5. The registrants' other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrants' auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrants' ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrants' internal control over financial reporting.

/s/Keith Cozza

Keith Cozza

President and Chief Executive Officer of Icahn Enterprises G.P. Inc., the  
general partner of Icahn Enterprises L.P. and Icahn Enterprises Holdings  
L.P.

Date: November 6, 2020

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## CERTIFICATION OF CHIEF FINANCIAL OFFICER

**Pursuant to Section 302(a) of the Sarbanes Oxley Act of 2002 and  
Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, SungHwan Cho, certify that:

1. I have reviewed this joint quarterly report on Form 10-Q of Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P. for the period ended September 30, 2020;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrants as of, and for, the periods presented in this report;

4. The registrants' other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrants and we have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrants' disclosure controls and procedures and presented in the report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrants' internal control over financial reporting that occurred during the registrants' most recent fiscal quarter (the registrants' fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrants' internal control over financial reporting.

5. The registrants' other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrants' auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrants' ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrants' internal control over financial reporting.

/s/SungHwan Cho

SungHwan Cho

Chief Financial Officer of Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P.

Date: November 6, 2020

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## CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

**Pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (18 U.S.C. 1350) and  
Rules 13a-14(b) of the Securities Exchange Act of 1934**

In connection with the joint quarterly report on Form 10-Q of Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P., for the period ended September 30, 2020, the undersigned certify that, to the best of his knowledge, based upon a review of the Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P. joint quarterly report on Form 10-Q for the period ended September 30, 2020:

(1) The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the registrants.

/s/Keith Cozza

Keith Cozza

President and Chief Executive Officer of Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P.

Date: November 6, 2020

/s/SungHwan Cho

SungHwan Cho

Chief Financial Officer of Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P.

Date: November 6, 2020

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