



Icahn Enterprises L.P. Reports First Quarter 2019 Financial Results

May 2, 2019

- **First quarter net loss attributable to Icahn Enterprises of \$394 million, or a loss of \$2.02 per depositary unit**
- **Board approves quarterly distribution of \$2.00 per depositary unit**
- **Company intends to enter into Open Market Sales Agreement**

NEW YORK, May 02, 2019 (GLOBE NEWSWIRE) -- Icahn Enterprises L.P. (NASDAQ:IEP) is reporting first quarter 2019 revenues of \$1.9 billion and net loss attributable to Icahn Enterprises of \$394 million, or a loss of \$2.02 per depositary unit. For the three months ended March 31, 2018, revenues were \$3.0 billion and net income attributable to Icahn Enterprises was \$132 million, or \$0.74 per depositary unit, including \$98 million from continuing operations, or \$0.55 per depositary unit. For the three months ended March 31, 2019, Adjusted EBITDA attributable to Icahn Enterprises was \$(194) million compared to \$325 million for the three months ended March 31, 2018. For the three months ended March 31, 2019, Adjusted EBIT attributable to Icahn Enterprises was \$(281) million compared to \$238 million for the three months ended March 31, 2018.

For the three months ended March 31, 2019, indicative net asset value increased to \$8.19 billion compared to \$8.15 billion as of December 31, 2018.

On April 30, 2019, 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 June 20, 2019 to depositary unitholders of record at the close of business on May 13, 2019. Depositary unitholders will have until June 10, 2019 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 June 17, 2019. 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.

Open Market Sales Agreement

Icahn Enterprises intends to enter into an Open Market Sales Agreement with Jefferies LLC, pursuant to which the Company may sell its depositary units, from time to time, for up to \$400 million in aggregate sales proceeds. Under this two-year program, the Company may issue and sell its depositary units from time to time directly on or through the Nasdaq Global Select Market or any other existing trading market for the depositary units, at such prices and times as the Company may agree with Jefferies. The proceeds from these transactions, if any, will be used to fund potential acquisitions as well as for general limited partnership purposes. Icahn Enterprises also believes the sales under this program, if any, will strengthen the Company's credit profile, expand the Company's unitholder base and improve daily trading liquidity.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities. It does not constitute a prospectus or prospectus equivalent document. Offers of securities shall only be made by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended, once available.

Icahn Enterprises L.P., a master limited partnership, is a diversified holding company engaged in eight primary business segments: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate, Home Fashion and Mining.

Caution Concerning Forward-Looking Statements

Results for any interim period are not necessarily indicative of results for any full fiscal period. This release may contain certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, many of which are beyond our ability to control or predict. Forward-looking statements may be identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning and include, but are not limited to, statements about the expected future business and financial performance of Icahn Enterprises L.P. and its subsidiaries. Actual events, results and outcomes may differ materially from our expectations due to a variety of known and unknown risks, uncertainties and other factors, including risks related to economic downturns, substantial competition and rising operating costs; risks related to our investment activities, including the nature of the investments made by the private funds in which we invest, 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, 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, including exposure to adverse conditions in the automotive industry; 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; and other risks and uncertainties detailed from time to time in our filings with the Securities and Exchange Commission. Past performance in our Investment segment is not indicative of future performance. We undertake no obligation to publicly update or review any forward-looking information, whether as a result of new information, future developments or otherwise.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per unit amounts)

	Three Months Ended March 31,	
	2019	2018
	(Unaudited)	
Revenues:		
Net sales	\$ 2,300	\$ 2,364
Other revenues from operations	162	158
Net (loss) gain from investment activities	(674)	432
Interest and dividend income	64	26
Other income, net	3	3
	1,855	2,983
Expenses:		
Cost of goods sold	1,900	1,987
Other expenses from operations	131	125
Selling, general and administrative	336	338
Restructuring	7	2
Interest expense	139	147
	2,513	2,599
(Loss) income from continuing operations before income tax expense	(658)	384
Income tax expense	(6)	(17)
(Loss) income from continuing operations	(664)	367
Income from discontinued operations	—	45
Net (loss) income	(664)	412
Less: net income (loss) attributable to non-controlling interests	(270)	280
Net (loss) income attributable to Icahn Enterprises	\$ (394)	\$ 132
Net (loss) income attributable to Icahn Enterprises from:		
Continuing operations	\$ (394)	\$ 98
Discontinued operations	—	34
	\$ (394)	\$ 132
Net (loss) income attributable to Icahn Enterprises allocated to:		
Limited partners	\$ (386)	\$ 129
General partner	(8)	3
	\$ (394)	\$ 132
Basic (loss) income per LP unit:		
Continuing operations	\$ (2.02)	\$ 0.55
Discontinued operations	0.00	0.19
	\$ (2.02)	\$ 0.74
Basic weighted average LP units outstanding	191	174
Diluted (loss) income per LP unit:		
Continuing operations	\$ (2.02)	\$ 0.55
Discontinued operations	0.00	0.19
	\$ (2.02)	\$ 0.74
Diluted weighted average LP units outstanding	191	175
Cash distributions declared per LP unit	\$ 2.00	\$ 1.75

CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)

	March 31, 2019	December 31, 2018
	(Unaudited)	
ASSETS		
Cash and cash equivalents	\$ 2,764	\$ 2,656
Cash held at consolidated affiliated partnerships and restricted cash	2,299	2,682
Investments	8,103	8,337
Due from brokers	1,224	664
Accounts receivable, net	517	474

Inventories, net	1,852	1,779
Property, plant and equipment, net	4,682	4,688
Goodwill	255	247
Intangible assets, net	464	501
Assets held for sale	364	333
Other assets	1,300	1,128
Total Assets	\$ 23,824	\$ 23,489
LIABILITIES AND EQUITY		
Accounts payable	\$ 894	\$ 832
Accrued expenses and other liabilities	1,896	900
Deferred tax liability	685	694
Unrealized loss on derivative contracts	722	36
Securities sold, not yet purchased, at fair value	447	468
Due to brokers	—	141
Liabilities held for sale	136	112
Debt	7,392	7,326
Total liabilities	12,172	10,509
Equity:		
Limited partners	6,643	7,350
General partner	(804) (790
Equity attributable to Icahn Enterprises	5,839	6,560
Equity attributable to non-controlling interests	5,813	6,420
Total equity	11,652	12,980
Total Liabilities and Equity	\$ 23,824	\$ 23,489

Use of Non-GAAP Financial Measures

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

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

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

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

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

not to be indicative of our ongoing operations.

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

Use of Indicative Net Asset Value Data

The Company uses indicative net asset value as an additional method for considering the value of the Company's assets, and we believe that this information can be helpful to investors. Please note, however, that the indicative net asset value does not represent the market price at which the units trade. Accordingly, data regarding indicative net asset value is of limited use and should not be considered in isolation.

The Company's depository units are not redeemable, which means that investors have no right or ability to obtain from the Company the indicative net asset value of units that they own. Units may be bought and sold on The NASDAQ Global Select Market at prevailing market prices. Those prices may be higher or lower than the indicative net asset value of the units as calculated by management.

See below for more information on how we calculate the Company's indicative net asset value.

	March 31, 2019	December 31, 2018
Market-valued Subsidiaries:	(Unaudited)	
Holding Company interest in Funds (1)	\$ 4,772	\$ 5,066
CVR Energy (2)	2,933	2,455
CVR Refining - direct holding (2)	—	60
Tenneco Inc.(2)	652	806
Total market-valued subsidiaries	\$ 8,357	\$ 8,387
Other Subsidiaries:		
Viskase (3)	\$ 141	\$ 147
Real Estate Holdings (1)	444	465
PSC Metals (1)	174	177
WestPoint Home (1)	129	133
Ferrous Resources (4)	428	423
Icahn Automotive Group (1)	1,832	1,747
Total - other subsidiaries	\$ 3,148	\$ 3,092
Add: Holding Company cash and cash equivalents (5)	2,139	1,834
Less: Holding Company debt (5)	(5,505) (5,505
Add: Other Holding Company net assets (5)	50	344
Indicative Net Asset Value	\$ 8,189	\$ 8,152

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

(1) Represents equity attributable to us as of each respective date.

(2) Based on closing share price on each date (or if such date was not a trading day, the immediately preceding trading day) and the number of shares owned by the Holding Company as of each respective date.

(3) Amounts based on market comparables due to lack of material trading volume, valued at 9.0x Adjusted EBITDA for the twelve months ended March 31, 2019 and December 31, 2018.

(4) March 31, 2019 and December 31, 2018 represents the estimated proceeds based on the sale agreement signed during December 2018.

(5) Holding Company's balance as of each respective date. For March 31, 2019, the distribution payable was adjusted to \$27 million, which represents the distribution paid subsequent to March 31, 2019.

(\$ in millions)

	Three Months Ended March 31,	
	2019	2018
	(Unaudited)	
Consolidated Adjusted EBITDA:		
Net (loss) income from continuing operations	\$ (664) \$ 367
Interest expense, net	126	147
Income tax expense	6	17
Depreciation and amortization	123	131

Consolidated EBITDA	\$ (409)	\$ 662
Restructuring costs	7	2
Non-Service cost U.S. based pensions	1	8
Loss (gain) on disposition of assets	2	(4)
Other	5	5
Consolidated Adjusted EBITDA	\$ (394)	\$ 673
IEP Adjusted EBITDA:		
Net (loss) income from continuing operations attributable to Icahn Enterprises	\$ (394)	\$ 98
Interest expense, net	101	114
Income tax expense	1	16
Depreciation and amortization	87	87
EBITDA attributable to IEP	\$ (205)	\$ 315
Restructuring costs	5	2
Non-Service cost U.S. based pensions	1	6
Loss (gain) on disposition of assets	2	(4)
Other	3	6
Adjusted EBITDA attributable to IEP	\$ (194)	\$ 325

(\$ in millions)

Three Months Ended March 31,
2019 **2018**

(Unaudited)

Consolidated Adjusted EBIT:		
Net (loss) income from continuing operations	\$ (664)	\$ 367
Interest expense, net	126	147
Income tax expense	6	17
Consolidated EBIT	\$ (532)	\$ 531
Restructuring costs	7	2
Non-Service cost U.S. based pensions	1	8
Loss (gain) on disposition of assets	2	(4)
Other	5	5
Consolidated Adjusted EBIT	\$ (517)	\$ 542
IEP Adjusted EBIT:		
Net (loss) income from continuing operations attributable to Icahn Enterprises	\$ (394)	\$ 98
Interest expense, net	101	114
Income tax expense	1	16
EBIT attributable to IEP	\$ (292)	\$ 228
Restructuring costs	5	2
Non-Service cost U.S. based pensions	1	6
Loss (gain) on disposition of assets	2	(4)
Other	3	6
Adjusted EBIT attributable to IEP	\$ (281)	\$ 238

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Source: Icahn Enterprises L.P.