

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 June 30, 2023

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	ICAHN ENTERPRISES L.P. 16690 Collins Avenue, PH-1 Sunny Isles Beach, FL 33160 (305) 422-4100	Delaware	13-3398766

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. 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). 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):

Large Accelerated Filer Accelerated Filer Emerging Growth Company
Non-accelerated Filer Smaller Reporting 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). Yes No

As of August 3, 2023, there were 393,458,414 of Icahn Enterprises’ depository units outstanding.

ICAHN ENTERPRISES L.P.
TABLE OF CONTENTS

	<u>Page No.</u>
Forward-Looking Statements	1
PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements (Unaudited)	2
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	37
Item 3. Quantitative and Qualitative Disclosures About Market Risk	52
Item 4. Controls and Procedures	52
PART II. OTHER INFORMATION	
Item 1. Legal Proceedings	54
Item 1A. Risk Factors	54
Item 5. Other Information	57
Item 6. Exhibits	58

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 the Private Securities Litigation Reform Act. 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, 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; the impacts from the Russia/Ukraine conflict, including economic volatility and the impacts of export controls and other economic sanctions; 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, or be taxed as a corporation; risks relating to short sellers and associated litigation and regulatory inquiries; risks related to our general partner and controlling unitholder; risks related to our energy business, including the volatility and availability of crude oil, other feed stocks and refined products, declines in global demand for crude oil, refined products and liquid transportation fuels, unfavorable refining margin (crack spread), interrupted access to pipelines, significant fluctuations in nitrogen fertilizer demand in the agricultural industry and seasonality of results; the success of a spin-off of the fertilizer business including risks related to any decision to cease exploration of a spin-off; risks related to our automotive activities and exposure to adverse conditions in the automotive industry, including as a result of the COVID-19 pandemic and the Chapter 11 filing of our automotive parts subsidiary; risks related to our food packaging activities, including competition from better capitalized competitors, inability of our suppliers to timely deliver raw materials, and the failure to effectively respond to industry changes in casings technology; supply chain issues; inflation, including increased costs of raw materials and shipping, including as a result of the Russia/Ukraine conflict; interest rate increases; labor shortages and workforce availability; 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, 2022 and below in Item 1A. Risk Factors, of Part II of this Quarterly Report on Form 10-Q. 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)

	June 30, 2023	December 31, 2022
	(in millions, except unit amounts)	
ASSETS		
Cash and cash equivalents	\$ 2,488	\$ 2,337
Cash held at consolidated affiliated partnerships and restricted cash	2,598	2,549
Investments	4,937	6,809
Due from brokers	4,219	7,051
Accounts receivable, net	495	606
Related party notes receivable	82	—
Inventories, net	1,015	1,531
Property, plant and equipment, net	3,959	4,038
Deferred tax asset	184	127
Derivative assets, net	344	805
Goodwill	288	288
Intangible assets, net	502	533
Other assets	1,103	1,240
Total Assets	\$ 22,214	\$ 27,914
LIABILITIES AND EQUITY		
Accounts payable	\$ 723	\$ 870
Accrued expenses and other liabilities	1,878	1,981
Deferred tax liabilities	354	338
Derivative liabilities, net	911	691
Securities sold, not yet purchased, at fair value	3,370	6,495
Due to brokers	713	885
Debt	7,078	7,096
Total liabilities	15,027	18,356
Commitments and contingencies (Note 18)		
Equity:		
Limited partners: Depository units: 393,458,414 units issued and outstanding at June 30, 2023 and 353,572,182 units issued and outstanding at December 31, 2022	4,153	4,647
General partner	(757)	(747)
Equity attributable to Icahn Enterprises	3,396	3,900
Equity attributable to non-controlling interests	3,791	5,658
Total equity	7,187	9,558
Total Liabilities and Equity	\$ 22,214	\$ 27,914

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
	(in millions, except per unit amounts)			
Revenues:				
Net sales	\$ 2,684	\$ 3,796	\$ 5,442	\$ 6,764
Other revenues from operations	198	197	385	365
Net (loss) gain from investment activities	(500)	(442)	(943)	497
Interest and dividend income	167	50	338	92
Other loss, net	(9)	(98)	(41)	(122)
	<u>2,540</u>	<u>3,503</u>	<u>5,181</u>	<u>7,596</u>
Expenses:				
Cost of goods sold	2,310	3,174	4,570	5,712
Other expenses from operations	160	148	318	285
Selling, general and administrative	215	315	444	616
Credit loss on related party note receivable	116	—	116	—
Loss on deconsolidation of subsidiary	20	—	246	—
Interest expense	136	151	278	285
	<u>2,957</u>	<u>3,788</u>	<u>5,972</u>	<u>6,898</u>
(Loss) income before income tax (expense) benefit	(417)	(285)	(791)	698
Income tax (expense) benefit	(2)	(2)	14	(100)
Net (loss) income	(419)	(287)	(777)	598
Less: net (loss) income attributable to non-controlling interests	(150)	(159)	(238)	403
Net (loss) income attributable to Icahn Enterprises	<u>\$ (269)</u>	<u>\$ (128)</u>	<u>\$ (539)</u>	<u>\$ 195</u>
Net (loss) income attributable to Icahn Enterprises allocated to:				
Limited partners	\$ (264)	\$ (125)	\$ (528)	\$ 191
General partner	(5)	(3)	(11)	4
	<u>\$ (269)</u>	<u>\$ (128)</u>	<u>\$ (539)</u>	<u>\$ 195</u>
Basic and Diluted (loss) income per LP unit	<u>\$ (0.72)</u>	<u>\$ (0.41)</u>	<u>\$ (1.46)</u>	<u>\$ 0.64</u>
Basic and Diluted weighted average LP units outstanding	367	306	361	300
Distributions declared per LP unit	<u>\$ 2.00</u>	<u>\$ 2.00</u>	<u>\$ 4.00</u>	<u>\$ 4.00</u>

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME (UNAUDITED)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Net (loss) income	\$ (419)	\$ (287)	\$ (777)	\$ 598
Other comprehensive income, net of tax:				
Translation adjustments	1	—	5	—
Post-retirement benefits and other	2	(7)	2	(7)
Other comprehensive income (loss), net of tax	3	(7)	7	(7)
Comprehensive (loss) income	(416)	(294)	(770)	591
Less: Comprehensive (loss) income attributable to non-controlling interests	(150)	(159)	(238)	403
Comprehensive (loss) income attributable to Icahn Enterprises	<u>\$ (266)</u>	<u>\$ (135)</u>	<u>\$ (532)</u>	<u>\$ 188</u>
Comprehensive (loss) income attributable to Icahn Enterprises allocated to:				
Limited partners	\$ (261)	\$ (132)	\$ (521)	\$ 184
General partner	(5)	(3)	(11)	4
	<u>\$ (266)</u>	<u>\$ (135)</u>	<u>\$ (532)</u>	<u>\$ 188</u>

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

	<u>Equity Attributable to Icahn Enterprises</u>			<u>Non-</u> <u>controlling</u> <u>Interests</u>	<u>Total Equity</u>
	<u>General</u> <u>Partner's</u> <u>Deficit</u>	<u>Limited</u> <u>Partners'</u> <u>Equity</u>	<u>Total Partners'</u> <u>Equity</u>		
			(in millions)		
Balance, December 31, 2022	\$ (747)	\$ 4,647	\$ 3,900	\$ 5,658	\$ 9,558
Net loss	(5)	(265)	(270)	(88)	(358)
Other comprehensive income	—	4	4	—	4
Partnership distributions payable	(15)	(709)	(724)	—	(724)
Partnership contributions	4	175	179	—	179
Investment segment distributions to non-controlling interests	—	—	—	(80)	(80)
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(85)	(85)
Changes in subsidiary equity and other	—	2	2	—	2
Balance, March 31, 2023	<u>(763)</u>	<u>3,854</u>	<u>3,091</u>	<u>5,405</u>	<u>8,496</u>
Net loss	(6)	(263)	(269)	(150)	(419)
Other comprehensive income	—	3	3	—	3
Partnership distributions payable reversal	15	709	724	—	724
Partnership distributions	(3)	(152)	(155)	—	(155)
Investment segment distributions to non-controlling interests	—	—	—	(1,380)	(1,380)
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(84)	(84)
Changes in subsidiary equity and other	—	2	2	—	2
Balance, June 30, 2023	<u>\$ (757)</u>	<u>\$ 4,153</u>	<u>\$ 3,396</u>	<u>\$ 3,791</u>	<u>\$ 7,187</u>

	Equity Attributable to Icahn Enterprises			Non-controlling Interests	Total Equity
	General Partner's Deficit	Limited Partners' Equity	Total Partners' Equity		
			(in millions)		
Balance, December 31, 2021	\$ (754)	\$ 4,298	\$ 3,544	\$ 5,799	\$ 9,343
Net income	6	317	323	562	885
Partnership distributions payable	(12)	(591)	(603)	—	(603)
Partnership contributions	4	180	184	—	184
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(36)	(36)
Changes in subsidiary equity and other	—	(5)	(5)	(10)	(15)
Balance, March 31, 2022	(756)	4,199	3,443	6,315	9,758
Net loss	(3)	(125)	(128)	(159)	(287)
Other comprehensive loss	—	(7)	(7)	—	(7)
Partnership distributions payable reversal	12	591	603	—	603
Partnership distributions	(2)	(100)	(102)	—	(102)
Partnership contributions	4	210	214	—	214
Investment segment contributions from non-controlling interests	—	—	—	5	5
Investment segment distributions to non-controlling interests	—	—	—	(3)	(3)
Dividends and distributions to non-controlling interests in subsidiaries	—	—	—	(26)	(26)
Changes in subsidiary equity and other	(1)	5	4	(1)	3
Balance, June 30, 2022	\$ (746)	\$ 4,773	\$ 4,027	\$ 6,131	\$ 10,158

See notes to condensed consolidated financial statements.

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

	Six Months Ended June 30,	
	2023	2022
	(in millions)	
Cash flows from operating activities:		
Net (loss) income	\$ (777)	\$ 598
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Net gain (loss) from securities transactions	310	(335)
Purchases of securities	(446)	(566)
Proceeds from sales of securities	2,084	3,979
Payments to cover securities sold, not yet purchased	(3,618)	(2,597)
Proceeds from securities sold, not yet purchased	444	1,423
Changes in receivables and payables relating to securities transactions	2,774	15
Changes in derivative assets and liabilities	681	(249)
Gain on disposition of assets, net	(3)	(2)
Depreciation and amortization	251	249
Loss on deconsolidation of subsidiary	246	—
Deferred taxes	(88)	(18)
Other, net	9	45
Changes in other operating assets and liabilities	110	87
Net cash provided by operating activities	1,977	2,629
Cash flows from investing activities:		
Capital expenditures	(131)	(154)
Turnaround expenditures	(50)	(68)
Proceeds from sale of investments	—	152
Proceeds from disposition of businesses and assets	—	2
Other, net	25	(1)
Net cash used in investing activities	(156)	(69)
Cash flows from financing activities:		
Investment segment contributions from non-controlling interests	—	5
Investment segment distributions to non-controlling interests	(1,462)	—
Partnership contributions	185	398
Partnership distributions	(155)	(102)
Dividends and distributions to non-controlling interests in subsidiaries	(170)	(62)
Repayments of Holding Company senior unsecured notes	—	(500)
Proceeds from subsidiary borrowings	32	66
Repayments of subsidiary borrowings	(48)	(122)
Other, net	(3)	(16)
Net cash used in financing activities	(1,621)	(333)
Effect of exchange rate changes on cash and cash equivalents and restricted cash and restricted cash equivalents	—	6
Net increase in cash and cash equivalents and restricted cash and restricted cash equivalents	200	2,233
Cash and cash equivalents and restricted cash and restricted cash equivalents, beginning of period	4,886	4,436
Cash and cash equivalents and restricted cash and restricted cash equivalents, end of period	\$ 5,086	\$ 6,669

See notes to condensed consolidated financial statements.

1. Description of Business

Overview

Icahn Enterprises L.P. (“Icahn Enterprises”) is a master 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 L.P. (“Icahn Enterprises Holdings”). Icahn Enterprises Holdings and its subsidiaries own substantially all of our assets and liabilities and conduct substantially all of our operations. Icahn Enterprises G.P. Inc. (“Icahn Enterprises GP”), which is indirectly 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 June 30, 2023, representing an aggregate 1.99% general partner interest in Icahn Enterprises Holdings and us. Mr. Icahn and his affiliates owned approximately 85% of our outstanding depositary units as of June 30, 2023.

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, Real Estate, Home Fashion and Pharma. We also report the results of our Holding Company, which includes the results of certain subsidiaries of Icahn Enterprises (unless otherwise noted), and investment activity and expenses associated with our Holding Company. See Note 14, “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 \$3.8 billion and \$4.2 billion as of June 30, 2023 and December 31, 2022, 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 marketing businesses as well as in the nitrogen fertilizer manufacturing businesses through its holdings in CVR Partners, LP, a publicly traded limited partnership (“CVR Partners”). CVR Energy is an independent petroleum refiner and marketer of high value transportation fuels primarily in the form of gasoline and diesel fuels, as well as renewable diesel. CVR Partners produces and markets nitrogen fertilizers in the form of urea ammonium nitrate and ammonia. CVR Energy holds 100% of the general partner interest and approximately 37% of the outstanding common units of CVR Partners as of June 30, 2023. As of June 30, 2023, we owned approximately 71% of the total outstanding common stock of CVR Energy.

On November 21, 2022, CVR Energy’s board of directors had authorized its management to explore a potential spin-off of CVR Energy’s interest in the nitrogen fertilizer business into a newly created and separately traded public company. On June 13, 2023, CVR Energy announced that it has concluded such process and that its board of directors has determined not to pursue the potential spin-off at this time.

Automotive

We conduct our Automotive segment through our wholly owned subsidiary, Icahn Automotive Group LLC (“Icahn Automotive”) and our wholly owned subsidiary, AEP PLC LLC (“AEP PLC”). Icahn Automotive is engaged in providing a full range of automotive repair and maintenance services (“automotive services”) to its customers as well as a retail business which consists of sales of automotive aftermarket parts and retailed merchandise (“aftermarket parts”).

On January 31, 2023, a subsidiary of Icahn Automotive, IEH Auto Parts Holding LLC and its subsidiaries (“Auto Plus”), an aftermarket parts distributor held within our Automotive segment, filed voluntary petitions in the United States Bankruptcy Court. As a result of Auto Plus’s filings for bankruptcy protections on January 31, 2023, we no longer controlled the operations of Auto Plus, therefore, we deconsolidated Auto Plus as of January 31, 2023. See Note 3, “Subsidiary Bankruptcy and Deconsolidation”, for a detailed discussion of the Auto Plus bankruptcy and deconsolidation.

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 June 30, 2023, we owned approximately 90% of the total outstanding common stock of Viskase.

Real Estate

Our Real Estate segment consists primarily of investment properties, the development and sale of single-family homes and the management of a country club.

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.

Pharma

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

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 structure and intend to continue structuring our investments 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., Ferrous Resources Ltd., and PSC Metals 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, 2022. 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.

Principles of Consolidation

Our condensed consolidated financial statements include the accounts of (i) Icahn Enterprises and (ii) the wholly and majority owned subsidiaries of Icahn Enterprises, 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. For entities over which the Company does not have significant influence, the Company accounts for its equity investment at fair value, except for the Company’s equity interest in Auto Plus.

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 such equity investments are accounted for at fair value.

Consolidated Variable Interest Entities

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. Icahn Enterprises Holdings and its subsidiaries own substantially all of our assets and liabilities and therefore, the balance sheets of Icahn Enterprises and Icahn Enterprises Holdings are substantially the same.

During the quarter ended June 30, 2023, we established a captive insurance program to supplement the insurance coverage of the officers, directors, employees and agents of the Company, its subsidiaries and our general partner. We hold assets in a protected cell, which we are the primary beneficiary of, and therefore consolidate the protected cell. The total assets related to the protected cell were \$100 million at June 30, 2023 and are included in restricted cash in the condensed consolidated balance sheet.

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.

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 5, "Investments," and Note 6, "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 June 30, 2023 was approximately \$7.1 billion and \$6.3 billion, respectively. The carrying value and estimated fair value of our long-term debt as of December 31, 2022 was approximately \$7.1 billion and \$6.6 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 \$367 million and \$1,019 million as of June 30, 2023 and December 31, 2022, 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 \$2,231 million and \$1,530 million as of June 30, 2023 and December 31, 2022, respectively. Restricted cash includes, but is not limited to, our Investment segment's cash pledged and held for margin requirements on derivative transactions and cash held related our captive insurance program.

Long-Lived Assets

The company reviews long-lived assets for impairment when impairment indicators exist. An evaluation of impairment consists of reviewing the carrying value of a long-lived asset for recoverability. Recoverability of long-lived assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying value of the long-lived asset is not determined to be recoverable, a fair value assessment is performed.

During the second quarter of 2023, a significant tenant of a commercial high-rise property, within our Real Estate segment, was notified of default for non-payment. The tenant was unable to cure the default status and the lease was terminated. We considered this default, along with other facts and circumstances, a triggering event for potential impairment and we assessed the carrying value of this long-lived asset for recoverability using the undiscounted cash flow method during the second quarter of 2023. We determined the total undiscounted cash flows of the property exceeded its carrying value and therefore, no impairment is required.

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 and Automotive segments' leasing revenue, our revenue is generally derived from contracts with customers in accordance with U.S. GAAP. 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 and Automotive segments' leasing revenue, as disclosed in Note 11, "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 14, "Segment Reporting," for our complete disaggregation of revenue information. In addition, we 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 includes 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 revenue is recognized at the point in time in which the customer obtains control of the product. In addition, it includes deferred revenue associated with agreements entered into with third-party investors that has allowed our Energy segment to monetize certain tax credits available under Section 45Q of the Internal Revenue Code (the "45Q Transaction"). Our Energy segment had deferred revenue of \$44 million and \$48 million as of June 30, 2023 and December 31, 2022, respectively. For the six months ended June 30, 2023 and 2022, our Energy segment recorded revenue of \$46 million and \$84 million, respectively, with respect to deferred revenue outstanding as of the beginning of each respective period.

As of June 30, 2023, our Energy segment had \$2 million of remaining performance obligations for contracts with an original expected duration of more than one year. Our Energy segment expects to recognize a majority of these performance obligations as revenue by the end of 2023 and the remaining nominal balance in 2024.

Automotive

Our Automotive segment had deferred revenue with respect to extended warranty plans of \$44 million at each of June 30, 2023 and December 31, 2022, respectively, which are included in accrued expenses and other liabilities on the condensed consolidated balance sheets. For the six months ended June 30, 2023 and 2022, our Automotive segment recorded revenue of \$13 million and \$12 million, respectively, with respect to deferred revenue outstanding as of the beginning of each respective period.

Adoption of New Accounting Standards

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 June 30, 2023, 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. We adopted this ASU effective January 1, 2023. The adoption of this standard did not have a significant impact on our condensed consolidated financial statements.

In September 2022, the FASB issued ASU 2022-04, *Liabilities- Supplier Finance Programs (Subtopic 405-50) Disclosure of Supplier Finance Program Obligations* to require entities that use supplier finance programs in connection with the purchase of goods and services to disclose the key terms of such programs and information about obligations outstanding at the end of the reporting period, including a rollforward of those obligations of where in the financial statements outstanding amounts are present. The guidance does not affect the recognition, measurement, or financial statement presentation of supplier finance program obligations. The amendments are effective in periods beginning after December 15, 2022, except that the amendments to disclose a rollforward of obligations outstanding will be effective beginning after December 15, 2023. We early adopted provisions of this ASU effective January 1, 2023, with the exception of the amendment on rollforward information, which will be adopted in the fourth quarter of 2023. The adoption of this standard did not have a material impact on our condensed consolidated financial statements.

Recently Issued Accounting Standards

In June 2022, the FASB issued ASU 2022-03, *Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*, which amends guidance in Topic 820, Fair Value Measurement. The guidance clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring the fair value. The guidance also clarifies that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction. The amendment requires the following disclosures for equity securities subject to contractual sale restrictions: the fair value of equity securities subject to contractual sale restrictions; the nature and remaining duration of the restriction(s); and the circumstances that could cause a lapse in the restriction(s). The amended guidance is effective January 1, 2024 on a prospective basis. Early adoption is permitted. We are currently assessing the impact of adopting this new accounting standard on our condensed consolidated financial statements.

3. Subsidiary Bankruptcy and Deconsolidation

On January 31, 2023, a subsidiary of Icahn Automotive, IEH Auto Parts Holding LLC and its subsidiaries, (collectively, "Auto Plus"), an aftermarket parts distributor held within our Automotive segment, filed voluntary petitions (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") seeking relief under Chapter 11 of Title 11 of the United States Code. On May 2, 2023, the Bankruptcy Court approved a global settlement in the Chapter 11 Cases between Auto Plus, its non-Auto Plus affiliates, and the Official Committee of Unsecured Creditors appointed in the Chapter 11 Cases (the "Committee") that provides for a guaranteed recovery to unsecured creditors, the payment of all administrative and priority claims in the Chapter 11 Cases, and the resolution of all disputes between Auto Plus, its non-Auto Plus affiliates, and the Committee. On May 19, 2023, the Bankruptcy Court approved five sales of Auto Plus' assets to five different bidders pursuant to Section 363 of the Bankruptcy Code, comprising a significant majority of Auto Plus' total assets (the "363 Sales"). A wholly owned subsidiary of IEP, AEP PLC, was the buyer for one of the 363 Sales, pursuant to a credit bid of \$10 million for a portion of its senior secured debtor-in-possession loan to Auto Plus. The last of the 363 sales closed on June 12, 2023. The proceeds of the 363 Sales will be used to satisfy obligations to Auto Plus' creditors. On June 16, 2023, the Bankruptcy Court entered an order approving Auto Plus' Third Amended Combined Disclosure Statement and Joint Plan of Liquidation (the "Bankruptcy Plan"). The Bankruptcy Plan provides for the orderly liquidation of Auto Plus and distribution of its assets. As of the date hereof, the effective date of the Bankruptcy Plan had not yet occurred.

As a result of the filing of the Chapter 11 Cases, the Company has determined that it no longer controls Auto Plus under the criteria set out in Statement of Financial Accounting Standards ("FASB") ASC Topic 810, "Consolidation" and has deconsolidated its investment effective January 31, 2023. In order to deconsolidate Auto Plus, we removed the carrying values of the assets and liabilities of Auto Plus as of January 31, 2023 and recorded our investment in Auto Plus at \$0 resulting in a non-cash charge of \$246 million during the six months ended June 30, 2023.

4. 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

As of June 30, 2023 and December 31, 2022, the total fair market value of investments in the Investment Funds made by Mr. Icahn and his affiliates (excluding us and Brett Icahn) was approximately \$3.0 billion and \$4.9 billion, respectively, representing approximately 44% and 54% of the Investment Funds' assets under management as of each respective date. During the six months ended June 30, 2023, Mr. Icahn and his affiliates (excluding us and Brett Icahn) had redemptions of \$1,452 million from the Investment Funds. There were no redemptions in the six months ended June 30, 2022.

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). Based on an expense-sharing arrangement, certain expenses borne by us are reimbursed by the Investment Funds. For the six months ended June 30, 2023 and 2022, \$7 million and \$6 million, respectively, was allocated to the Investment Funds based on this expense-sharing arrangement.

Auto Plus and AEP PLC

As discussed in Note 3. "Subsidiary Bankruptcy and Deconsolidation," Auto Plus was deconsolidated as of January 31, 2023. Subsequent to January 31, 2023, Auto Plus had certain transactions with entities within our Automotive and Real Estate segments. Agreements and transactions include (i) lease agreements between Auto Plus and entities in the Automotive segment in which Auto Plus is the lessee, (ii) lease agreements between Auto Plus and entities in the Automotive segment in which Auto Plus is the lessor, (iii) auto parts purchases by entities in the Automotive segment from Auto Plus, (iv) auto parts sales from entities within the Automotive segment to Auto Plus, and (v) lease agreements between entities in the Real Estate segment and Auto Plus in which Auto Plus is the lessee.

For the five months from the date of deconsolidation of January 31, 2023 through June 30, 2023, the total lease revenues of entities within the Automotive segment from leases with Auto Plus was \$3 million. Total inventory purchases of entities within the Automotive segment from Auto Plus were \$4 million and total net trade accounts payable due to Auto Plus as of June 30, 2023 was 2 million.

For the five months from the date of deconsolidation of January 31, 2023 through June 30, 2023, the total lease revenues of entities within the Real Estate segment from Auto Plus were \$3 million.

Note Receivable from Auto Plus

In connection with the Auto Plus bankruptcy filing, we entered into a priming, senior secured, super priority debtor-in-possession credit facility with Auto Plus (the "DIP Credit Facility") on January 31, 2023, under which (i) we agreed to provide new loans in an aggregate amount of up to \$75 million and (ii) subject to final approval of the DIP Credit Facility by the Bankruptcy Court, all the loans under our pre-petition credit facility with Auto Plus would be rolled-up and converted into loans under the DIP Credit Facility. On May 2, 2023, we converted and rolled up our related party note receivable with our existing loans under the DIP Credit Facility. In the second quarter of 2023, we estimated our cash to be collected for the repayment of the note receivable to be \$82 million, resulting in a write-off of \$116 million during the six months ended June 30, 2023.

AEP PLC

In connection with the Auto Plus auction, our wholly owned subsidiary AEP PLC, acquired \$10 million of assets mostly comprised of aftermarket parts inventory during the second quarter of 2023. The transaction was considered an asset acquisition, as AEP PLC does not meet the definition of a business defined in FASB ASC Topic 805. The results of AEP PLC are consolidated within our Automotive segment at June 30, 2023 and were not material.

Other 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 serves 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. On May 5, 2022, we entered into an amendment to the manager agreement, which allows the Investment Funds to add, from time to time, two additional separately tracked portfolios, in addition to the existing portfolios, which will not be subject to the manager agreement. Additionally, Brett Icahn provides 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 manager 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 depository units granted under a restricted unit agreement. In accordance with the manager agreement, Brett Icahn will co-invest with the Investment Funds in certain positions, will make cash contributions to the Investment Funds in order to fund such co-investments and will have a special limited partnership interest in the Investment Funds through which the profit and loss attributable to such co-investments will be allocated to him. Brett Icahn had net redemptions of \$8 million in the six months ended June 30, 2023 and contributed \$3 million in accordance with the manager agreement in the six months ended June 30, 2022. As of June 30, 2023 and December 31, 2022 Brett Icahn had investments in the Investment Funds with a total fair market value of \$39 million and \$50 million, respectively. 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.

5. Investments

Investments

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. In addition, our Investment segment has certain derivative transactions which are discussed in Note 7, “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:

	June 30, 2023	December 31, 2022
	(in millions)	
Assets		
Investments:		
Equity securities:		
Communications	\$ —	\$ 199
Consumer, cyclical	504	692
Energy	689	909
Utilities	1,238	1,205
Healthcare	474	320
Technology	639	655
Materials	142	153
Industrial	—	486
	<u>3,686</u>	<u>4,619</u>
Debt Securities:		
Financials	1,001	1,958
Real Estate	134	131
Communications	—	11
	<u>1,135</u>	<u>2,100</u>
	<u>\$ 4,821</u>	<u>\$ 6,719</u>
Liabilities		
Securities sold, not yet purchased, at fair value:		
Equity securities:		
Consumer, non-cyclical	\$ 116	\$ 1,006
Consumer, cyclical	—	352
Energy	1,794	2,690
Utilities	563	813
Healthcare	—	387
Materials	579	598
Industrial	146	480
	<u>3,198</u>	<u>6,326</u>
Debt securities:		
Materials	172	169
	<u>\$ 3,370</u>	<u>\$ 6,495</u>

The portion of unrealized (losses) and gains that relates to securities still held by our Investment segment, primarily equity securities, was \$(69) million and \$(894) million for the three months ended June 30, 2023 and 2022, respectively, and \$(124) million and \$(694) million for the six months ended June 30, 2023 and 2022, respectively.

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:

	June 30, 2023	December 31, 2022
	(in millions)	
Equity method investments	\$ 102	\$ 76
Other investments measured at fair value	14	14
	<u>\$ 116</u>	<u>\$ 90</u>

The portion of unrealized gains and (losses) that relates to equity securities still held by our other segments and Holding Company was zero and \$3 million for each of the three months ended June 30, 2023 and 2022, respectively, and zero and \$61 million for the six months ended June 30, 2023 and 2022, respectively.

6. Fair Value Measurements

U.S. GAAP requires enhanced disclosures about 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 assets and liabilities at fair value. Market price observability is impacted by a number of factors, including the type of, and the characteristics specific to, the assets and liabilities. Assets and liabilities 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.

Assets and 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 assets and 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 assets and liabilities are derived from market observable sources including reported trades, broker/dealer quotes and other pertinent data.

Level 3 – Pricing inputs are unobservable for the assets and liabilities and include situations where there is little, if any, market activity for the assets and liabilities. 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 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 assets and liabilities. 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.

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:

	June 30, 2023				December 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in millions)							
Assets								
Investments (Note 5)	\$ 3,648	\$ 1,134	\$ 42	\$ 4,824	\$ 5,538	\$ 1,142	\$ 42	\$ 6,722
Derivative assets, net (Note 7)	—	344	—	344	—	805	—	805
	<u>\$ 3,648</u>	<u>\$ 1,478</u>	<u>\$ 42</u>	<u>\$ 5,168</u>	<u>\$ 5,538</u>	<u>\$ 1,947</u>	<u>\$ 42</u>	<u>\$ 7,527</u>
Liabilities								
Securities sold, not yet purchased (Note 5)	\$ 3,198	\$ 172	\$ —	\$ 3,370	\$ 6,326	\$ 169	\$ —	\$ 6,495
Derivative liabilities, net (Note 7)	15	896	—	911	—	691	—	691
RFS obligations (Note 18)	—	599	—	599	—	692	—	692
	<u>\$ 3,213</u>	<u>\$ 1,667</u>	<u>\$ —</u>	<u>\$ 4,880</u>	<u>\$ 6,326</u>	<u>\$ 1,552</u>	<u>\$ —</u>	<u>\$ 7,878</u>

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

Energy

CVR Partners performed a non-recurring fair value measurement of the equity interest received as part of the 45Q Transaction. Such valuation used a combination of the market approach and the discounted cash flow methodology with key inputs including the discount rate, contractual and expected future cash flows, and market multiples. CVR Partners determined the estimated fair value of the consideration received to be \$46 million, which is a non-recurring Level 3 measurement.

Holding Company

The estimated fair value of the Company's note receivable from Auto Plus was measured at January 31, 2023 using the income approach with Level 3 inputs by discounting the forecasted cash inflows associated with the note using an estimated market discount rate. During the second quarter of 2023, the Company measured the fair value of the related party note using the practical expedient for a collateral-dependent loan in accordance with ASC Topic 326 to determine the allowance based on the fair value of collateral less costs to sell. The note collateral is primarily made up of cash and accounts receivable and we estimated the fair value to be \$82 million. The fair value of accounts receivable was estimated based on expected collectability. We determined the expected credit losses of \$116 million were uncollectible and wrote off the valuation allowance against the note receivable.

7. 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.

[Table of Contents](#)

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 their 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 the overnight bank funding 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 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. There were no Investment Funds' derivative instruments with credit-risk-related contingent features in a liability position as of June 30, 2023 and December 31, 2022.

[Table of Contents](#)

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

	June 30, 2023		December 31, 2022	
	Long Notional Exposure	Short Notional Exposure	Long Notional Exposure	Short Notional Exposure
	(in millions)			
Primary underlying risk:				
Equity contracts	\$ 2,261	\$ 3,719	\$ 1,816	\$ 5,354
Credit contracts ⁽¹⁾	—	797	—	945
Commodity contracts	—	426	—	22

(1) The short notional amount on our credit default swap positions was approximately \$3.1 billion and \$3.5 billion at June 30, 2023 and December 31, 2022, respectively. However, because credit spreads cannot compress below zero, our downside short notional exposure to loss is approximately \$0.8 billion and \$0.9 billion as of June 30, 2023 and December 31, 2022, respectively.

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.

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:

	Derivative Assets		Derivative Liabilities	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	(in millions)			
Equity contracts	\$ 70	\$ 392	\$ 961	\$ 719
Credit contracts	327	447	1	1
Commodity contracts	1	—	15	1
Sub-total	398	839	977	721
Netting across contract types ⁽¹⁾	(71)	(34)	(71)	(34)
Total ⁽¹⁾	\$ 327	\$ 805	\$ 906	\$ 687

(1) Excludes netting of cash collateral received and posted. The total collateral posted at June 30, 2023 and December 31, 2022 was \$2,034 million and \$1,436 million, respectively, across all counterparties, which are included in cash held at consolidated affiliated partnerships and restricted cash in the condensed consolidated balance sheets.

[Table of Contents](#)

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:

	Gain (loss) Recognized in Income ⁽¹⁾			
	Three Months Ended		Six Months Ended June 30,	
	June 30,		2023	2022
	2023	2022	2023	2022
	(in millions)			
Equity contracts	\$ (366)	\$ 392	\$ (650)	\$ 483
Credit contracts	(2)	(35)	34	(320)
Commodity contracts	(17)	—	(16)	—
	<u>\$ (385)</u>	<u>\$ 357</u>	<u>\$ (632)</u>	<u>\$ 163</u>

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

Energy

CVR Energy's businesses are subject to fluctuations of commodity prices caused by supply conditions, weather, economic conditions, interest rates, and other factors. To manage price risk on crude oil and other inventories and to fix margins on future production, CVR Energy from time to time enters into various commodity derivative transactions and hold derivative instruments, such as futures and swaps, which it believes provide an economic hedge on future transactions, but such instruments are not designated as hedge instruments. CVR Energy may enter into forward purchase or sale contracts associated with its feedstocks, expected future gasoline and diesel production and/or renewable identification numbers ("RINs").

As of June 30, 2023 and December 31, 2022, CVR Energy had 19 million and less than a million outstanding commodity swap positions, respectively. As of June 30, 2023 and December 31, 2022, CVR Energy had future contracts of less than 1 million barrels at each period. As of June 30, 2023 and December 31, 2022, CVR Energy had open fixed-price commitments to purchase a net 63 million and 34 million RINs, respectively.

The following table presents the fair value of our Energy segment's derivatives and the effect of the collateral netting:

	Derivative Assets		Derivative Liabilities	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	(in millions)			
Commodity contracts	17	—	10	5
Netting across contract types ⁽¹⁾	—	—	(5)	(1)
Total ⁽¹⁾	<u>\$ 17</u>	<u>\$ —</u>	<u>\$ 5</u>	<u>\$ 4</u>

(1) Excludes netting of derivatives primarily related to initial margin requirements of \$9 million and \$7 million at June 30, 2023 and December 31, 2022, respectively, which was not offset against derivatives assets, net in the condensed consolidated balance sheets.

(Losses) gains recognized on derivatives for our Energy segment were \$(4) million and \$(68) million for the three months ended June 30, 2023 and 2022, respectively, and \$41 million and \$(66) million for the six months ended June 30, 2023 and 2022, respectively. Gains and losses recognized on derivatives for our Energy segment are included in cost of goods sold on the condensed consolidated statements of operations.

8. Related Party Notes Receivable

Related party notes receivable and its related allowance for expected credit losses consists of the following:

	<u>June 30, 2023</u>
Related party notes receivable, gross	\$ 82
Less: Allowance for expected credit losses	—
Related party notes receivable	<u>\$ 82</u>
Allowance for expected credit losses:	
Beginning Balance	\$ -
Credit loss provision	116
Write-offs	(116)
Ending Balance	<u>\$ —</u>

Write-offs associated with related party notes receivable was \$116 million for the three and six months ended June 30, 2023. See Note 6, “Financial Instruments,” for additional information related to the fair value of the related party notes receivable.

9. Inventories, Net

Inventories, net consists of the following:

	<u>June 30,</u>	<u>December 31,</u>
	<u>2023</u>	<u>2022</u>
	(in millions)	
Raw materials	\$ 307	\$ 335
Work in process	106	105
Finished goods	589	1,091
In transit	13	—
	<u>\$ 1,015</u>	<u>\$ 1,531</u>

Due to the deconsolidation of Auto Plus inventories decreased \$440 million from December 31, 2022.

10. Goodwill and Intangible Assets, Net

Goodwill consists of the following:

	<u>June 30, 2023</u>			<u>December 31, 2022</u>		
	<u>Gross</u>		<u>Net</u>	<u>Gross</u>		<u>Net</u>
	<u>Carrying</u>	<u>Accumulated</u>	<u>Carrying</u>	<u>Carrying</u>	<u>Accumulated</u>	<u>Carrying</u>
	<u>Amount</u>	<u>Impairment</u>	<u>Value</u>	<u>Amount</u>	<u>Impairment</u>	<u>Value</u>
	(in millions)					
Automotive	\$ 337	\$ (87)	\$ 250	\$ 337	\$ (87)	\$ 250
Food Packaging	6	—	6	6	—	6
Home Fashion	22	(3)	19	22	(3)	19
Pharma	13	—	13	13	—	13
	<u>\$ 378</u>	<u>\$ (90)</u>	<u>\$ 288</u>	<u>\$ 378</u>	<u>\$ (90)</u>	<u>\$ 288</u>

Intangible assets, net consists of the following:

	June 30, 2023			December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
	(in millions)					
Definite-lived intangible assets:						
Customer relationships	\$ 392	\$ (219)	\$ 173	\$ 393	\$ (212)	\$ 181
Developed technology	254	(76)	178	254	(62)	192
Other	164	(96)	68	167	(90)	77
	<u>\$ 810</u>	<u>\$ (391)</u>	<u>\$ 419</u>	<u>\$ 814</u>	<u>\$ (364)</u>	<u>\$ 450</u>
Indefinite-lived intangible assets			<u>\$ 83</u>			<u>\$ 83</u>
Intangible assets, net			<u>\$ 502</u>			<u>\$ 533</u>

Amortization expense associated with definite-lived intangible assets was \$14 million and \$16 million for the three months ended June 30, 2023 and 2022, respectively, and \$29 million for each of the six months ended June 30, 2023 and 2022, respectively.

We utilize the straight-line method of amortization, recognized over the estimated useful lives of the assets.

11. 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.

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

	June 30, 2023	December 31, 2022
	(in millions)	
Operating Leases:		
Right-of-use assets (other assets)	\$ 509	\$ 478
Lease liabilities (accrued expenses and other liabilities)	517	484
Financing Leases:		
Right-of-use assets (property, plant and equipment, net)	49	48
Lease liabilities (debt)	65	64

Additional information with respect to our operating leases as of June 30, 2023 and December 31, 2022 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.

Operating Leases as of June 30, 2023	Right-Of-Use Assets	Lease Liabilities	Lease Term	Discount Rate
	(in millions)			
Energy	\$ 40	\$ 38	3.9 years	5.5%
Automotive	426	439	5.3 years	5.9%
Food Packaging	23	26	9.5 years	7.4%
Other segments and Holding Company	20	14		
	<u>\$ 509</u>	<u>\$ 517</u>		

Operating Leases as of December 31, 2022	Right-Of-Use Assets	Lease Liabilities	Lease Term	Discount Rate
	(in millions)			
Energy	\$ 40	\$ 40	4.1 years	5.2%
Automotive	386	395	4.7 years	5.9%
Food Packaging	24	27	9.8 years	7.4%
Other segments and Holding Company	28	22		
	<u>\$ 478</u>	<u>\$ 484</u>		

For the three months ended June 30, 2023 and 2022, lease cost was comprised of (i) operating lease cost of \$49 million and \$51 million, respectively, (ii) amortization of financing lease right-of-use assets of \$3 million and \$1 million, respectively, and (iii) interest expense on financing lease liabilities of \$1 million and \$1 million, respectively. For the six months ended June 30, 2023 and 2022, lease cost was comprised of (i) operating lease cost of \$90 million and \$98 million, respectively, (ii) amortization of financing lease right-of-use assets of \$4 million and \$4 million, respectively, and (iii) interest expense on financing lease liabilities of \$2 million at each period.

Our automotive segment accounted for \$72 million and \$81 million of total lease cost for the six months ended June 30, 2023 and 2022, respectively.

Automotive

Our Automotive segment leases certain operating locations under long-term operating leases. Our Automotive segment's revenues from operating leases were \$13 million and \$13 million for the three months ended June 30, 2023 and 2022, respectively, and \$29 million and \$22 million for the six months ended June 30, 2023 and 2022, respectively. Revenues from operating leases are included in other revenue from operations in the condensed consolidated statements of operations.

Real Estate

Our Real Estate segment leases real estate, primarily commercial properties under long-term operating leases. As of June 30, 2023 and December 31, 2022, our Real Estate segment had assets leased to others included in property, plant and equipment of \$256 million and \$252 million, respectively, net of accumulated depreciation. Our Real Estate segment's revenue from operating leases were \$7 million and \$1 million for the three months ended June 30, 2023 and 2022, respectively, and \$12 million and \$3 million for the six months ended June 30, 2023 and 2022, respectively. Revenues from operating leases are included in other revenue from operations in the condensed consolidated statements of operations.

12. Debt

Debt consists of the following:

	June 30, 2023	December 31, 2022
	(in millions)	
Holding Company:		
4.750% senior unsecured notes due 2024	\$ 1,102	\$ 1,103
6.375% senior unsecured notes due 2025	749	749
6.250% senior unsecured notes due 2026	1,250	1,250
5.250% senior unsecured notes due 2027	1,460	1,460
4.375% senior unsecured notes due 2029	747	747
	<u>5,308</u>	<u>5,309</u>
Reporting Segments:		
Energy	1,591	1,591
Automotive	19	21
Food Packaging	150	162
Real Estate	1	1
Home Fashion	9	12
	<u>1,770</u>	<u>1,787</u>
Total Debt	<u>\$ 7,078</u>	<u>\$ 7,096</u>

Holding Company

In February 2022, we redeemed all of our \$500 million aggregate principal amount of 6.750% senior unsecured notes due 2024 at par. As a result of this transaction, Icahn Enterprises recorded a loss on extinguishment of debt of \$1 million during the six months ended June 30, 2022.

Covenants

We and 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 less than \$1 million and \$1 million for the three months ended June 30, 2023 and 2022, respectively, and \$2 million for each of the six months ended June 30, 2023 and 2022.

13. Net Income Per LP Unit

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in millions, except per unit amounts)			
Net (loss) income attributable to Icahn Enterprises	\$ (269)	\$ (128)	\$ (539)	\$ 195
Net (loss) income attributable to Icahn Enterprises allocated to limited partners (98.01% allocation)	\$ (264)	\$ (125)	\$ (528)	\$ 191
Basic (loss) income per LP unit:	\$ (0.72)	\$ (0.41)	\$ (1.46)	\$ 0.64
Basic weighted average LP units outstanding	367	306	361	300
Diluted (loss) income per LP unit:	\$ (0.72)	\$ (0.41)	\$ (1.46)	\$ 0.64
Diluted weighted average LP units outstanding	367	306	361	300

LP Unit Transactions

Unit Distributions

On February 22, 2023, we 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 9, 2023, we 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 six months ended June 30, 2023, we distributed an aggregate 36,490,879 depositary units to unitholders who did not elect to receive cash, of which an aggregate of 34,496,953 depositary units were distributed to Mr. Icahn and his affiliates. In connection with these distributions, aggregate cash distributions to all depositary unitholders that made a timely election to receive cash was \$152 million for the six months ended June 30, 2023.

At-The-Market Offerings

During the three months ended June 30, 2023, we did not sell depositary units pursuant to our Open Market Sale Agreement. During the six months ended June 30, 2023, we sold 3,395,353 depositary units pursuant to the Open Market Sale Agreement, resulting in gross proceeds of \$175 million. As of June 30, 2023, we continue to have an active Open Market Sale Agreement and Icahn Enterprises may sell its depositary units for up to an additional \$149 million in aggregate gross sale proceeds pursuant to this agreement.

Repurchase Authorization

On May 9, 2023, the Board of Directors of the General Partner approved a repurchase program which authorizes Icahn Enterprises or affiliates of Icahn Enterprises to repurchase up to an aggregate of \$500 million worth of any of our outstanding fixed-rate senior unsecured notes issued by Icahn Enterprises and Icahn Enterprises Finance Corp. and up to an aggregate of \$500 million worth of the depositary units issued by Icahn Enterprises (the “Repurchase Program”). The repurchases of senior notes or depositary units may be done for cash from time to time in the open market, through tender offers or in privately negotiated transactions upon such terms and at such prices as management may determine. The authorization of the Repurchase Program is for an indefinite term and does not expire until later terminated by the

Board of Directors. As of June 30, 2023, the Company has not repurchased any of the Company's depository units or senior notes under the Repurchase Program.

14. 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. 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

	Three Months Ended June 30, 2023								Consolidated
	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Holding Company	
	(in millions)								
Revenues:									
Net sales	\$ —	\$ 2,237	\$ 248	\$ 117	\$ 13	\$ 46	\$ 23	\$ —	\$ 2,684
Other revenues from operations	—	—	177	—	20	—	1	—	198
Net loss from investment activities	(500)	—	—	—	—	—	—	—	(500)
Interest and dividend income	134	8	—	—	—	—	—	25	167
Other (loss) income, net	(18)	3	3	1	1	—	1	—	(9)
	<u>(384)</u>	<u>2,248</u>	<u>428</u>	<u>118</u>	<u>34</u>	<u>46</u>	<u>25</u>	<u>25</u>	<u>2,540</u>
Expenses:									
Cost of goods sold	—	1,990	173	90	8	35	14	—	2,310
Other expenses from operations	—	—	142	—	18	—	—	—	160
Selling, general and administrative	13	39	114	15	5	10	11	8	215
Credit loss on related party note receivable	—	—	—	—	—	—	—	116	116
Loss on deconsolidation of subsidiaries	—	—	—	—	—	—	—	20	20
Interest expense	38	22	1	3	—	—	—	72	136
	<u>51</u>	<u>2,051</u>	<u>430</u>	<u>108</u>	<u>31</u>	<u>45</u>	<u>25</u>	<u>216</u>	<u>2,957</u>
(Loss) income before income tax (expense) benefit	(435)	197	(2)	10	3	1	—	(191)	(417)
Income tax (expense) benefit	—	(41)	6	(5)	—	—	—	38	(2)
Net (loss) income	(435)	156	4	5	3	1	—	(153)	(419)
Less: net (loss) income attributable to non-controlling interests	(220)	70	—	—	—	—	—	—	(150)
Net (loss) income attributable to Icahn Enterprises	<u>\$ (215)</u>	<u>\$ 86</u>	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ (153)</u>	<u>\$ (269)</u>
Supplemental information:									
Capital expenditures	\$ —	\$ 56	\$ 11	\$ 5	\$ —	\$ 1	\$ —	\$ —	\$ 73
Depreciation and amortization	\$ —	\$ 89	\$ 22	\$ 7	\$ 3	\$ 1	\$ 7	\$ —	\$ 129

[Table of Contents](#)

Three Months Ended June 30, 2022									
	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Holding Company	Consolidated
	(in millions)								
Revenues:									
Net sales	\$ —	\$ 3,144	\$ 438	\$ 110	\$ 17	\$ 69	\$ 18	\$ —	\$ 3,796
Other revenues from operations	—	—	183	—	13	—	1	—	197
Net (loss) from investment activities	(459)	—	—	—	—	—	—	17	(442)
Interest and dividend income	47	1	—	—	—	—	—	2	50
Other (loss) income, net	(18)	(75)	—	(6)	—	—	—	1	(98)
	(430)	3,070	621	104	30	69	19	20	3,503
Expenses:									
Cost of goods sold	—	2,715	288	90	12	57	12	—	3,174
Other expenses from operations	—	—	134	—	14	—	—	—	148
Selling, general and administrative	10	43	219	13	3	11	10	6	315
Restructuring, net	—	—	—	—	—	—	—	—	—
Interest expense	53	24	—	2	—	1	—	71	151
	63	2,782	641	105	29	69	22	77	3,788
(Loss) income before income tax (expense) benefit	(493)	288	(20)	(1)	1	—	(3)	(57)	(285)
Income tax (expense) benefit	—	(61)	5	(2)	—	—	—	56	(2)
Net (loss) income	(493)	227	(15)	(3)	1	—	(3)	(1)	(287)
Less: net (loss) income attributable to non-controlling interests	(275)	117	—	(1)	—	—	—	—	(159)
Net (loss) income attributable to Icahn Enterprises	\$ (218)	\$ 110	\$ (15)	\$ (2)	\$ 1	\$ —	\$ (3)	\$ (1)	\$ (128)
Supplemental information:									
Capital expenditures	\$ —	\$ 62	\$ 30	\$ 5	\$ 2	\$ —	\$ —	\$ —	\$ 99
Depreciation and amortization	\$ —	\$ 89	\$ 20	\$ 7	\$ 3	\$ 1	\$ 7	\$ —	\$ 127

Six Months Ended June 30, 2023									
	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Holding Company	Consolidated
	(in millions)								
Revenues:									
Net sales	\$ —	\$ 4,523	\$ 535	\$ 235	\$ 20	\$ 86	\$ 43	\$ —	\$ 5,442
Other revenues from operations	—	—	347	—	36	—	2	—	385
Net loss from investment activities	(943)	—	—	—	—	—	—	—	(943)
Interest and dividend income	278	13	—	—	—	—	—	47	338
Other (loss) income, net	(46)	6	3	(6)	1	—	1	—	(41)
	(711)	4,542	885	229	57	86	46	47	5,181
Expenses:									
Cost of goods sold	—	3,916	366	181	14	67	26	—	4,570
Other expenses from operations	—	—	287	—	31	—	—	—	318
Selling, general and administrative	16	85	246	29	9	20	24	15	444
Credit loss on related party note receivable	—	—	—	—	—	—	—	116	116
Loss on deconsolidation of subsidiary	—	—	—	—	—	—	—	246	246
Interest expense	83	45	1	6	—	—	—	143	278
	99	4,046	900	216	54	87	50	520	5,972
(Loss) before income tax (expense) benefit	(810)	496	(15)	13	3	(1)	(4)	(473)	(791)
Income tax (expense) benefit	—	(93)	6	(1)	—	—	—	102	14
Net (loss) income	(810)	403	(9)	12	3	(1)	(4)	(371)	(777)
Less: net (loss) income attributable to non-controlling interests	(424)	185	—	1	—	—	—	—	(238)
Net (loss) income attributable to Icahn Enterprises	\$ (386)	\$ 218	\$ (9)	\$ 11	\$ 3	\$ (1)	\$ (4)	\$ (371)	\$ (539)
Supplemental information:									
Capital expenditures	\$ —	\$ 100	\$ 21	\$ 7	\$ 2	\$ 1	\$ —	\$ —	\$ 131
Depreciation and amortization	\$ —	\$ 173	\$ 41	\$ 14	\$ 6	\$ 3	\$ 14	\$ —	\$ 251

[Table of Contents](#)

	Six Months Ended June 30, 2022								
	Investment	Energy	Automotive	Food Packaging	Real Estate	Home Fashion	Pharma	Holding Company	Consolidated
	(in millions)								
Revenues:									
Net sales	\$ —	\$ 5,517	\$ 845	\$ 211	\$ 34	\$ 124	\$ 33	\$ —	\$ 6,764
Other revenues from operations	—	—	339	—	24	—	2	—	365
Net gain from investment activities	449	—	—	—	—	—	—	48	497
Interest and dividend income	87	1	—	—	—	—	—	4	92
Other (loss) income, net	(35)	(85)	2	(5)	—	—	1	—	(122)
	<u>501</u>	<u>5,433</u>	<u>1,186</u>	<u>206</u>	<u>58</u>	<u>124</u>	<u>36</u>	<u>52</u>	<u>7,596</u>
Expenses:									
Cost of goods sold	—	4,838	555	171	22	102	24	—	5,712
Other expenses from operations	—	—	260	—	25	—	—	—	285
Selling, general and administrative	14	88	427	26	7	22	20	12	616
Interest expense	85	48	1	3	—	1	—	147	285
	<u>99</u>	<u>4,974</u>	<u>1,243</u>	<u>200</u>	<u>54</u>	<u>125</u>	<u>44</u>	<u>159</u>	<u>6,898</u>
Income (loss) before income tax benefit (expense)	402	459	(57)	6	4	(1)	(8)	(107)	698
Income tax (expense) benefit	—	(91)	14	(3)	—	—	—	(20)	(100)
Net income (loss)	402	368	(43)	3	4	(1)	(8)	(127)	598
Less: net income attributable to non-controlling interests	206	197	—	—	—	—	—	—	403
Net income (loss) attributable to Icahn Enterprises	<u>\$ 196</u>	<u>\$ 171</u>	<u>\$ (43)</u>	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ (1)</u>	<u>\$ (8)</u>	<u>\$ (127)</u>	<u>\$ 195</u>
Supplemental information:									
Capital expenditures	\$ —	\$ 88	\$ 51	\$ 9	\$ 6	\$ —	\$ —	\$ —	\$ 154
Depreciation and amortization	\$ —	\$ 172	\$ 40	\$ 14	\$ 6	\$ 3	\$ 14	\$ —	\$ 249

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
		(in millions)		
Petroleum products	\$ 2,054	\$ 2,900	\$ 4,114	\$ 5,050
Nitrogen fertilizer products	183	244	409	467
	<u>\$ 2,237</u>	<u>\$ 3,144</u>	<u>\$ 4,523</u>	<u>\$ 5,517</u>

Automotive

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
		(in millions)		
Automotive services	\$ 392	\$ 393	\$ 761	\$ 746
Aftermarket parts sales	20	215	92	416
	<u>\$ 412</u>	<u>\$ 608</u>	<u>\$ 853</u>	<u>\$ 1,162</u>

Condensed Balance Sheets

	June 30, 2023								
	Investment	Energy	Automotive	Food Packaging	Real Estate (in millions)	Home Fashion	Pharma	Holding Company	Consolidated
ASSETS									
Cash and cash equivalents	\$ 22	\$ 751	\$ 59	\$ 7	\$ 46	\$ 5	\$ 24	\$ 1,574	\$ 2,488
Cash held at consolidated affiliated partnerships and restricted cash	2,401	7	9	—	7	3	—	171	2,598
Investments	4,821	102	—	—	14	—	—	—	4,937
Accounts receivable, net	—	300	39	90	15	27	24	—	495
Inventories, net	—	524	260	111	—	90	30	—	1,015
Related party notes receivable	—	—	—	—	—	—	—	82	82
Property, plant and equipment, net	—	2,630	792	137	341	54	—	5	3,959
Goodwill and intangible assets, net	—	189	346	24	—	19	212	—	790
Other assets	4,644	298	469	104	96	17	5	217	5,850
Total assets	<u>\$ 11,888</u>	<u>\$ 4,801</u>	<u>\$ 1,974</u>	<u>\$ 473</u>	<u>\$ 519</u>	<u>\$ 215</u>	<u>\$ 295</u>	<u>\$ 2,049</u>	<u>\$ 22,214</u>
LIABILITIES AND EQUITY									
Accounts payable, accrued expenses and other liabilities	\$ 1,637	\$ 1,727	\$ 847	\$ 140	\$ 53	\$ 44	\$ 58	\$ 73	\$ 4,579
Securities sold, not yet purchased, at fair value	3,370	—	—	—	—	—	—	—	3,370
Debt	—	1,591	19	150	1	9	—	5,308	7,078
Total liabilities	<u>5,007</u>	<u>3,318</u>	<u>866</u>	<u>290</u>	<u>54</u>	<u>53</u>	<u>58</u>	<u>5,381</u>	<u>15,027</u>
Equity attributable to Icahn Enterprises	3,799	795	1,108	166	461	162	237	(3,332)	3,396
Equity attributable to non-controlling interests	3,082	688	—	17	4	—	—	—	3,791
Total equity	<u>6,881</u>	<u>1,483</u>	<u>1,108</u>	<u>183</u>	<u>465</u>	<u>162</u>	<u>237</u>	<u>(3,332)</u>	<u>7,187</u>
Total liabilities and equity	<u>\$ 11,888</u>	<u>\$ 4,801</u>	<u>\$ 1,974</u>	<u>\$ 473</u>	<u>\$ 519</u>	<u>\$ 215</u>	<u>\$ 295</u>	<u>\$ 2,049</u>	<u>\$ 22,214</u>

	December 31, 2022								
	Investment	Energy	Automotive	Food Packaging	Real Estate (in millions)	Home Fashion	Pharma	Holding Company	Consolidated
ASSETS									
Cash and cash equivalents	\$ 19	\$ 510	\$ 32	\$ 9	\$ 26	\$ 5	\$ 16	\$ 1,720	\$ 2,337
Cash held at consolidated affiliated partnerships and restricted cash	2,455	7	10	—	8	3	—	66	2,549
Investments	6,719	76	—	—	14	—	—	—	6,809
Accounts receivable, net	—	358	99	87	12	24	26	—	606
Inventories, net	—	624	686	103	—	90	28	—	1,531
Property, plant and equipment, net	—	2,664	826	142	345	56	—	5	4,038
Goodwill and intangible assets, net	—	200	352	24	—	19	226	—	821
Other assets	8,041	296	527	110	102	16	6	125	9,223
Total assets	<u>\$ 17,234</u>	<u>\$ 4,735</u>	<u>\$ 2,532</u>	<u>\$ 475</u>	<u>\$ 507</u>	<u>\$ 213</u>	<u>\$ 302</u>	<u>\$ 1,916</u>	<u>\$ 27,914</u>
LIABILITIES AND EQUITY									
Accounts payable, accrued expenses and other liabilities	\$ 1,589	\$ 1,823	\$ 981	\$ 149	\$ 47	\$ 45	\$ 61	\$ 70	\$ 4,765
Securities sold, not yet purchased, at fair value	6,495	—	—	—	—	—	—	—	6,495
Debt	—	1,591	21	162	1	12	—	5,309	7,096
Total liabilities	<u>8,084</u>	<u>3,414</u>	<u>1,002</u>	<u>311</u>	<u>48</u>	<u>57</u>	<u>61</u>	<u>5,379</u>	<u>18,356</u>
Equity attributable to Icahn Enterprises	4,184	648	1,530	149	455	156	241	(3,463)	3,900
Equity attributable to non-controlling interests	4,966	673	—	15	4	—	—	—	5,658
Total equity	<u>9,150</u>	<u>1,321</u>	<u>1,530</u>	<u>164</u>	<u>459</u>	<u>156</u>	<u>241</u>	<u>(3,463)</u>	<u>9,558</u>
Total liabilities and equity	<u>\$ 17,234</u>	<u>\$ 4,735</u>	<u>\$ 2,532</u>	<u>\$ 475</u>	<u>\$ 507</u>	<u>\$ 213</u>	<u>\$ 302</u>	<u>\$ 1,916</u>	<u>\$ 27,914</u>

15. Income Taxes

For the three months ended June 30, 2023, we recorded an income tax expense of \$2 million on pre-tax loss of \$417 million compared to an income tax expense of \$2 million on pre-tax loss of \$285 million for the three months ended June 30, 2022. Our effective income tax rate was (0.5%) and (0.7%) for the three months ended June 30, 2023 and 2022, respectively.

For the three months ended June 30, 2023 and 2022, the effective tax rate was lower than the statutory federal rate of 21%, for corporations, primarily due to partnership loss for which there was no tax benefit as such losses are allocated to the partners.

For the six months ended June 30, 2023, we recorded an income tax benefit of \$14 million on a pre-tax loss of \$791 million compared to an income tax expense of \$100 million on pre-tax income of \$698 million for the six months ended June 30, 2022. Our effective income tax rate was (1.8%) and 14.3% for the six months ended June 30, 2023 and 2022, respectively.

For the six months ended June 30, 2023, the effective tax rate was lower than the statutory federal tax rate of 21%, for corporations, primarily due to partnership loss for which there was no tax benefit as such losses are allocated to the partners. For the six months ended June 30, 2022, the effective tax rate was lower than the statutory federal rate of 21% primarily due to partnership income for which there was no tax expense, as such income is allocated to the partners.

16. Changes in Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss consists of the following:

	Translation Adjustments, Net of Tax	Post-Retirement Benefits, Net of Tax <small>(in millions)</small>	Total
Balance, December 31, 2022	\$ (45)	\$ (25)	\$ (70)
Other comprehensive (loss) income before reclassifications, net of tax	5	—	5
Reclassifications from accumulated other comprehensive loss to earnings, net of tax	—	2	2
Other comprehensive (loss) income, net of tax	5	2	7
Balance, June 30, 2023	<u>\$ (40)</u>	<u>\$ (23)</u>	<u>\$ (63)</u>

17. Other Loss, Net

Other loss, net consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	<small>(in millions)</small>			
Dividend expense	\$ (19)	\$ (18)	\$ (47)	\$ (35)
Equity earnings from non-consolidated affiliates	3	3	5	5
Gain on disposition of assets, net	3	—	3	2
Foreign currency transaction gain	2	(6)	2	(5)
Legal settlement loss	—	(78)	—	(88)
Loss on extinguishment of debt, net	—	1	—	(1)
Other	2	—	(4)	—
	<u>\$ (9)</u>	<u>\$ (98)</u>	<u>\$ (41)</u>	<u>\$ (122)</u>

18. 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 human health and the environment, particularly regarding plant wastes and emissions and solid waste disposal. Our consolidated environmental liabilities on an undiscounted basis were \$20 million and \$22 million as of June 30, 2023 and December 31, 2022, respectively, primarily within our Energy segment, 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.

Energy

Clean Air Act Matter - CVR Energy's indirect wholly-owned subsidiary, Coffeyville Resource Refining & Marketing, LLC ("CRRM") is party to proceedings relating to claims by the United States, on behalf of the U.S. Environmental Protection Agency (the "EPA") and the State of Kansas, on behalf of the Kansas Department of Health and Environment ("KDHE"). One of these proceedings concerns claims arising under a 2012 Consent Decree ("CD"), which primarily relate to the CRRM refinery's flares; the United States, on behalf of the EPA, and KDHE are seeking approximately \$6.8 million in stipulated penalties under the CD (the "Stipulated Claims"), which amount CRRM previously deposited into a commercial escrow account and which escrowed funds are legally restricted for use and are included in other assets in our condensed consolidated balance sheets. CRRM has filed an appeal of an order from the Federal District Court for the District of Kansas ("D. Kan.") denying its petition for judicial review of the Stipulated Claims in the United States Court of Appeals for the Tenth Circuit (the "Tenth Circuit"), which remains pending.

CRRM is also party to proceedings brought by the United States, on behalf of the EPA, and KDHE in the D. Kan, alleging violations of the federal Clean Air Act, the Kansas State Implementation Plan, Kansas law, and CRRM's permits relating to flares, heaters, and related matters; the United States, on behalf of the EPA, and KDHE are seeking civil penalties, injunctive relief, and related relief in connection with these claims (collectively, the "Statutory Claims").

In May 2023, the parties mediated both the Stipulated Claims and the Statutory Claims before the Tenth Circuit mediation office and agreed to stay the proceedings before the D. Kan. for 90 days while the parties work to reach a final settlement agreement, including with respect to injunctive relief. As negotiations and proceedings relating to the Stipulated Claims and the Statutory Claims are ongoing, CVR Energy cannot at this time determine the outcome of these matters, including whether such outcome, or any subsequent enforcement or litigation relating thereto would have a material impact on our Energy segment's financial position, results of operations, or cash flows.

45Q Transaction

In January 2023, CVR Energy and its obligated-party subsidiaries entered into a joint venture and related agreements with unaffiliated third-party investors and others intended to qualify for certain tax credits available under Section 45Q of the Internal Revenue Code. Under the agreements entered into in connection with the 45Q Transactions, CVR Partners and certain of its subsidiaries are obligated to meet certain minimum quantities of carbon dioxide supply each year during the term of the agreement and could be subject to fees of up to \$15 million per year, with an overall cap at \$45 million, should it fail to perform.

Renewable Fuel Standards

CVR Energy's obligated-party subsidiaries are subject to the Renewable Fuel Standard ("RFS") implemented primarily by the EPA which requires refiners to either blend renewable fuels into their transportation fuels or purchase renewable fuel credits, known as Renewable Identification Numbers ("RINs), in lieu of blending. CVR Energy's obligated subsidiaries are not able to blend the substantial majority of their transportation fuels and, unless their obligations are waived by the EPA, have to purchase RINs on the open market and may have to obtain waiver credits for cellulosic biofuels or other exemptions from the EPA, to the extent available, in order to comply with the RFS. CVR Energy's obligated-party subsidiaries have filed a number of petitions in the United States Court of Appeals for the Fifth Circuit (the "Fifth Circuit") and the United States Court of Appeals for the District of Columbia Circuit (the "DC Circuit") challenging certain actions taken by the EPA in April 2022 and June 2022 relating to the RFS including but not limited to the EPA's denial of small refinery exemptions ("SREs") sought by one of CVR Energy's obligated-party subsidiaries, Wynnewood Refining Company, LLC ("WRC"), for the 2017 through 2021 compliance periods (the "SRE Denial"), and challenging the EPA's Final Rule issued in July 2022 establishing renewable volume obligations ("RVO"). CVR Energy's obligated-party subsidiaries have also intervened in an action filed by certain biofuels producers relating to the RFS. In late 2022, the Fifth Circuit denied the EPA's motions to stay the SRE Denial lawsuits. In March 2023, the Fifth Circuit granted WRC's motion to stay enforcement of the RFS against WRC pending resolution of the SRE Denial lawsuits. In July 2023, the EPA denied 26 petitions from small refineries seeking SREs for one or more of the compliance years between 2016 and 2023, including the SRE sought by WRC for 2022, which denial WRC intends to challenge in court. CVR Energy cannot yet determine at this time the outcomes of these matters. However,

while CVR Energy intends to prosecute these actions vigorously, if these matters are ultimately concluded in a manner adverse to CVR Energy, they could have a material effect on our Energy business' financial position, results of operations, or cash flows.

Our Energy segment recognized expenses of approximately \$48 million and \$135 million for the three months ended June 30, 2023 and 2022, respectively, for CVR Energy's obligated-party subsidiaries' compliance with the RFS (based on the 2020, 2021, 2022 and 2023 annual RVO for the respective periods, excluding the impacts of any exemptions or waivers to which the obligated-party subsidiaries may be entitled). For the six months ended June 30, 2023 and 2022, such expenses were \$37 million and \$241 million, respectively. These recognized amounts are included in cost of goods sold in the condensed consolidated statements of operations and represent costs to comply with the RFS obligation through purchasing of RINs not otherwise reduced by blending of ethanol or biodiesel. At each reporting period, to the extent RINs purchased or generated through blending are less than the RFS obligation (excluding the impact of exemptions or waivers to which CVR Refining may be entitled), the remaining position is marked-to-market using RIN market prices at period end. As of June 30, 2023 and December 31, 2022, CVR Energy's obligated-party subsidiaries' RFS position was \$599 million and \$692 million, respectively, and is included in accrued expenses and other liabilities in the condensed consolidated balance sheets.

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

Call Option Coverage Case – In July 2023, the Superior Court of the State of Delaware (the "Superior Court") heard oral argument on the motion filed by the primary and excess insurers (the "Insurers") of CVR Energy and certain of its affiliates (the "Call Defendants") seeking to stay the Call Defendants' action against the Insurers. The Call Defendants' action alleged breach of contract and breach of the implied covenant of good faith and fair dealing with respect to the Insurers' denial of coverage of the Call Defendants' defense expenses and indemnity, as well as other conduct of the Insurers, relating to the lawsuits filed by former unitholders of CVR Refining, LP ("CVR Refining") against the Call Defendants regarding 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, which action was settled by the parties on August 19, 2022 (the "Call Option Lawsuits"). The Insurers' declaratory judgment action seeking determination that the Insurers owe no indemnity coverage in relation to insurance policies that have coverage limits of \$50 million for settlement of the Call Option Lawsuits remains pending before the 434th Judicial District Court of Fort Bend County, Texas, which granted summary judgment in favor of the Insurers in November 2022, and which the Call Defendants intend to appeal once final judgment is entered.

As the potential appeal of the Texas Court decision and the Superior Court lawsuit are in their early stages, CVR Energy cannot determine at this time the outcome of these lawsuits, including whether the outcome would have a material impact on our Energy business' 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 85% of Icahn Enterprises' outstanding depository units as of June 30, 2023. 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 Viskase and ACF Industries LLC (“ACF”), an affiliate of Mr. Icahn. 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 Viskase and ACF plans have been met as of June 30, 2023. If the plans were voluntarily terminated, they would be underfunded by an aggregate of approximately \$42 million as of June 30, 2023. These results are based on the most recent information provided by the plans’ actuaries. 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 Viskase or ACF to make ongoing pension contributions or to pay the unfunded liabilities upon a termination of the Viskase or ACF pension plans. In addition, other entities now or in the future 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 pension plans of Viskase and ACF requires them to notify the PBGC of certain “reportable events,” such as if we cease to be a member of the Viskase or 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.

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

Icahn Enterprises L.P. was contacted on May 3, 2023 by the U.S. Attorney’s office for the Southern District of New York and on June 21, 2023 by the staff of the Division of Enforcement of the U.S. Securities and Exchange Commission (the “SEC”), seeking production of information relating to the Company and certain of its affiliates’ corporate governance, capitalization, securities offerings, disclosure, dividends, valuation, marketing materials, due diligence and other materials. We are cooperating with these requests and are providing documents in response to these voluntary requests for information. Neither the U.S. Attorney’s office nor the SEC has made any claims or allegations against us or Mr. Icahn with respect to the foregoing inquiries. In addition, two putative securities class action lawsuits have been filed against the Company in the U.S. District Court for the Southern District of Florida alleging violations of the federal securities laws, *Okaro v. Icahn Enterprises L.P. et al.*, Case No. 23-21773 (S.D. Fl.), and *Levine v. Icahn Enterprises L.P. et al.*, Case No. 23-22009 (S.D. Fl.). These lawsuits have not yet been consolidated and a lead plaintiff has not been appointed.

We believe that we maintain a strong compliance program and, while no assurances can be made, and we are still evaluating these matters, we do not currently believe that these inquiries and litigations will have a material impact on our business, financial condition, results of operations or cash flows.

19. Supplemental Cash Flow Information

Supplemental cash flow information consists of the following:

	Six Months Ended June 30,	
	2023	2022
	(in millions)	
Cash payments for interest	\$ (216)	\$ (221)
Cash payments for income taxes, net of payments	(43)	(60)
Partnership contributions receivable	6	7
Non-cash Investment segment distributions to non-controlling interests	(2)	—

20. Subsequent Events

Icahn Enterprises

LP Unit Distribution

On August 2, 2023, the Board of Directors of the general partner of Icahn Enterprises declared a quarterly distribution in the amount of \$1.00 per depositary unit, which will be paid on or about September 27, 2023 to depositary unitholders of record at the close of business on August 18, 2023. Depositary unitholders will have until September 15, 2023 to make a timely election to receive either cash or additional depositary units. If a unitholder does not make a timely election, it will automatically be deemed to have elected to receive the distribution in additional depositary units. Depositary unitholders who elect to receive (or who are deemed to have elected to receive) additional depositary units will receive units valued at the volume weighted average trading price of the units during the five consecutive trading days ending September 22, 2023. Icahn Enterprises will make a cash payment in lieu of issuing fractional depositary units to any unitholders electing to receive (or who are deemed to have elected to receive) depositary units.

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 June 30, 2023 (this “Report”), as well as our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission on February 24, 2023.

Executive Overview

Introduction

Icahn Enterprises L.P. (“Icahn Enterprises”) is a master limited partnership formed in Delaware on February 17, 1987 and headquartered in Sunny Isles Beach, Florida. We are a diversified holding company owning subsidiaries currently engaged in the following continuing operating businesses: Investment, Energy, Automotive, Food Packaging, Real Estate, Home Fashion and Pharma. We also report the results of our Holding Company, which includes the results of certain subsidiaries of Icahn Enterprises (unless otherwise noted), and investment activity and expenses associated with our Holding Company. References to “we,” “our” or “us” herein include Icahn Enterprises and its subsidiaries, unless the context otherwise requires.

Icahn Enterprises owns a 99% limited partner interest in Icahn Enterprises Holdings L.P. (“Icahn Enterprises Holdings”). Icahn Enterprises Holdings and its subsidiaries own substantially all of our assets and liabilities and conduct substantially all of our operations. Icahn Enterprises G.P. Inc. (“Icahn Enterprises GP”), which is indirectly 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 June 30, 2023, representing an aggregate 1.99% general partner interest in Icahn Enterprises Holdings and us. Mr. Icahn and his affiliates owned approximately 85% of Icahn Enterprises’ outstanding depositary units as of June 30, 2023.

Significant Transactions and Developments

On January 31, 2023, a subsidiary of Icahn Automotive, IEH Auto Parts Holding LLC and its subsidiaries (“Auto Plus”), an aftermarket parts distributor held within our Automotive segment, filed voluntary petitions (the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”) seeking relief under Chapter 11 of Title 11 of the United States Code. As a result of this filing, the Company has determined that it no longer controls Auto Plus under the criteria set out in Statement of Financial Accounting Standards ASC Topic 810, “Consolidation” and has deconsolidated its investment effective the date of the filing. As a result of Auto Plus’s bankruptcy, the Company recorded a non-cash charge of \$246 million in the six months ended June 30, 2023. During the second quarter of 2023, we estimated our cash expected to be collected solely for the repayment of the note receivable to be \$82 million, resulting in a non-cash credit loss of \$116 million during the six months ended June 30, 2023, related to the note receivable expected to be uncollectible.

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. In addition to the summarized financial results below, refer to Note 14, “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.

[Table of Contents](#)

In February 2022, Russia invaded Ukraine, creating uncertainty in the global oil, fertilizer and agricultural markets, as sanctions on Russian oil exports, specifically diesel exports, have significantly influenced commodity markets in 2022 and 2023. This conflict could continue to affect markets going forward. Current inventory levels have remained low, particularly for distillate, with the days of supply for jet fuel at approximately 4.0 days below the seasonally adjusted five-year average. Furthermore, planned and unplanned outages at domestic refineries are continuing to contribute to further inventory tightening and volatility. The ultimate outcome of the Russia-Ukraine conflict and any associated market disruptions are difficult to predict and may materially affect our business, operations, and cash flows in unforeseen ways.

The comparability of our summarized consolidated financial results presented below is affected primarily by (i) the performance of the Investment Funds (as defined below), (ii) the results of operations of our Energy segment, impacted by the demand and pricing for its products and (iii) the deconsolidation of Auto Plus within our Automotive segment. Refer to our respective segment discussions and “Other Consolidated Results of Operations,” below for further discussion.

	Revenues		Net Income (Loss)		Net Income (Loss) Attributable to Icahn Enterprises	
	Six Months Ended June 30,		Six Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022	2023	2022
	(in millions)					
Investment Holding Company	\$ (711)	\$ 501	\$ (810)	\$ 402	\$ (386)	\$ 196
	47	52	(371)	(127)	(371)	(127)
Other Operating Segments:						
Energy	4,542	5,433	403	368	218	171
Automotive	885	1,186	(9)	(43)	(9)	(43)
Food Packaging	229	206	12	3	11	3
Real Estate	57	58	3	4	3	4
Home Fashion	86	124	(1)	(1)	(1)	(1)
Pharma	46	36	(4)	(8)	(4)	(8)
Metals	—	—	—	—	—	—
Other operating segments	5,845	7,043	404	323	218	126
Consolidated	<u>\$ 5,181</u>	<u>\$ 7,596</u>	<u>\$ (777)</u>	<u>\$ 598</u>	<u>\$ (539)</u>	<u>\$ 195</u>

Investment

We invest our proprietary capital through various private investment funds (“Investment Funds”). As of June 30, 2023 and December 31, 2022, we had investments with a fair market value of approximately \$3.8 billion and \$4.2 billion, respectively, in the Investment Funds. As of June 30, 2023 and December 31, 2022, the total fair market value of investments in the Investment Funds made by Mr. Icahn and his affiliates (excluding us and Brett Icahn) was approximately \$3.0 billion and \$4.9 billion, respectively. During the six months ended June 30, 2023, Mr. Icahn and his affiliates (excluding us and Brett Icahn) had redemptions of \$1,452 million from the Investment Funds.

Our Investment segment’s results of operations are reflected in net income 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, Mr. Icahn and his affiliates and by Brett Icahn, Mr. Icahn’s son. 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 June 30, 2023.

[Table of Contents](#)

For the three months ended June 30, 2023 and 2022, our Investment Funds' returns were (5.4)% and (4.8%), respectively. For the six months ended June 30, 2023 and 2022, our Investment Funds' returns were (9.3)% and 4.3%, 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.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Long positions	(3.2)%	(20.8)%	(1.8)%	(4.5)%
Short positions	(2.8)%	16.1 %	(8.9)%	9.1 %
Other	0.6 %	(0.1)%	1.4 %	(0.3)%
	<u>(5.4)%</u>	<u>(4.8)%</u>	<u>(9.3)%</u>	<u>4.3 %</u>

The following table presents net income (loss) for our Investment segment for the three and six months ended June 30, 2023 and 2022, respectively.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in millions)			
Long positions	\$ (307)	\$ (1,783)	\$ (190)	\$ (289)
Short positions	(177)	1,298	(746)	712
Other	49	(8)	126	(21)
	<u>\$ (435)</u>	<u>\$ (493)</u>	<u>\$ (810)</u>	<u>\$ 402</u>

Three Months Ended June 30, 2023 and 2022

For the three months ended June 30, 2023, the Investment Funds' negative performance was primarily driven by net losses in long positions. The negative performance of our Investment segment's long positions was driven primarily by losses from one consumer, cyclical investment of \$110 million, one healthcare sector investment of \$104 million and the aggregate performance of long positions with net losses across various sectors of \$93 million. The negative performance of our Investment segment's short positions was driven by the negative performance of a broad market hedge of \$253 million.

For the three months ended June 30, 2022, the Investment Funds' negative performance was primarily driven by net losses in long positions, offset in part by net gains in short positions. The negative performance of our Investment segment's long positions was driven primarily by losses from one healthcare sector investment of approximately \$819 million and one industrial sector investment of approximately \$307 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 positive performance of our Investment segment's short positions was driven primarily by the positive performance of broad market hedges of \$758 million.

Six Months Ended June 30, 2023 and 2022

For the six months ended June 30, 2023, the Investment Funds' negative performance was primarily driven by net losses in short positions. The negative performance of our Investment segment's short positions was driven primarily by losses from a broad market hedge of \$618 million and the aggregate performance of short equity and short credit positions with net losses across various sectors of \$128 million.

For the six months ended June 30, 2022, the Investment Funds' positive performance was driven by net gains in their short positions, offset in part by net losses in certain long positions and credit default swaps. The positive performance of our Investment segment's short positions was driven primarily by a broad market hedge totaling \$1.0

billion and the aggregate performance of short positions with net gains across various sectors. The negative performance of our Investment segment's long positions was driven primarily by the negative performance of one healthcare investment of approximately \$1.1 billion and the aggregate performance of investments with net losses across various sectors accounted for additional negative performance, offset in part by gains in two energy sector investments aggregating approximately \$1.8 billion. The positive performance of short positions was offset in part by the negative performance of an energy sector hedge totaling \$400 million and the negative performance of certain credit default swaps positions of \$406 million.

Energy

Our Energy segment is primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing businesses. The petroleum business accounted for approximately 91% and 92% of our Energy segment's net sales for the six months ended June 30, 2023 and 2022, respectively.

On November 21, 2022, CVR Energy's board of directors had authorized its management to explore a potential spin-off of CVR Energy's interest in the nitrogen fertilizer business into a newly created and separately traded public company. On June 13, 2023, CVR Energy announced that it has concluded such process and that its board of directors has determined not to pursue the potential spin-off at this time.

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.

In addition to recent market conditions, including the impact of the Russia/Ukraine conflict, 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 and emissions standards for vehicles. The petroleum business is also subject to the EPA's Renewable Fuel Standard ("RFS"), which requires the operating companies in our Energy segment to either blend "renewable fuels" with their transportation fuels or purchase renewable identification numbers ("RINs"), to the extent available, in lieu of blending, or to seek other exemptions. 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 18, "Commitments and Contingencies," to the condensed consolidated financial statements for further discussion of RINs.

In April 2022, our Energy segment completed a renewable diesel project at one of its refineries, which converted the refinery's hydrocracker to a renewable diesel unit ("RDU") capable of producing up to 100 million gallons of renewable diesel per year at a total cost of \$179 million. The renewable diesel facility produces renewable diesel and has a capacity of approximately 7,500 barrels per day. Further, the conversion enables our Energy segment to capture additional benefits associated with the existing blenders' tax credit that is currently set to expire at the end of 2024 and low carbon fuel standard programs in states such as California. Our Energy segment has additional plans to add pretreating capabilities for the RDU, which is expected to be completed in the fourth quarter of 2023, at an estimated cost of \$91 million. These collective renewable efforts could reduce our Energy segment's RFS exposure. However, impacts from recent climate change initiatives under the Biden Administration, actions taken by the courts, resulting administration

actions under the RFS, and market conditions, could significantly impact the amount by which our Energy segment’s renewables business could mitigate our costs to comply with the RFS, if at all.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in millions)			
Net sales	\$ 2,237	\$ 3,144	\$ 4,523	\$ 5,517
Cost of goods sold	1,990	2,715	3,916	4,838
Gross margin	\$ 247	\$ 429	\$ 607	\$ 679

Three Months Ended June 30, 2023 and 2022

Net sales for our Energy segment decreased by \$907 million (29%) for the three months ended June 30, 2023 as compared to the comparable prior year period due to a decrease in our petroleum business’ net sales, which have decreased \$846 million, as well as a decrease in our nitrogen fertilizer businesses’ net sales, which have decreased \$61 million. The decrease in the petroleum business’ net sales was due to a decrease in refined product prices primarily due to lower crude oil prices as the onset of the Russia-Ukraine war disrupted global energy markets in the prior period, recession concerns and slowing demand trends in the current period, as well as reduced volumes in the current period driven by a planned outage at one of the refineries during the three months ended June 30, 2023. The decrease in our nitrogen fertilizer business’ net sales was primarily due to a decrease in urea ammonium nitrate (“UAN”) and ammonia pricing conditions, offset in part by increased sales volume, which was primarily attributable to increased production at both fertilizer facilities due to operating reliability after the planned turnarounds in the third quarter of 2022. .

Cost of goods sold for our Energy segment decreased by \$725 million (27%) for the three months ended June 30, 2023 as compared to the comparable prior year period. The decrease was primarily due to our petroleum business as a result of a decrease in net sales due to lower crude oil prices, lower costs to comply with the RFS of \$14 million, excluding revaluation expense variance of \$49 million driven by a decline in RINs prices and higher derivative performance of \$64 million compared to the prior period. Gross margin for our Energy segment decreased by \$182 million for the three months ended June 30, 2023 as compared to the comparable prior year period. Gross margin as a percentage of net sales was 11% and 14% for the three months ended June 30, 2023 and 2022, respectively. The decrease in gross margin as a percentage of net sales was primarily attributable to the petroleum business, which was primarily due to lower crack spreads, offset in part by lower RFS costs and higher derivative performance.

Six Months Ended June 30, 2023 and 2022

Net sales for our Energy segment decreased by \$994 million (18%) for the six months ended June 30, 2023 as compared to the comparable prior year period due to a decrease in our petroleum business’ net sales, which decreased \$936 million, as well as a decrease in our nitrogen fertilizer business’ net sales, which decreased \$58 million over the comparable periods. The decrease in the petroleum business’ net sales was due to a decrease in refined product prices primarily due to lower crude oil prices as the onset of the Russia-Ukraine war disrupted global energy markets in the prior period and recession concerns and slowing demand trends in the current period, as well as lower volumes in the current period driven by a planned outage at one of the refineries during the six months ended June 30, 2023. The decrease in our nitrogen fertilizer business’ net sales was primarily due to a decrease in UAN and ammonia pricing conditions, offset in part by increased sales volumes, which was primarily attributable to increased production at both fertilizer facilities due to operating reliability after the planned turnarounds in the third quarter of 2022.

Cost of goods sold for our Energy segment decreased by \$922 million (19%) for the six months ended June 30, 2023 as compared to the comparable prior year period. The decrease was primarily due to our petroleum business as a result of a decrease in net sales due to lower crude oil prices, favorable RINs liability revaluation of \$124 million driven by a decline in RINs prices and higher derivative performance of \$107 million. Gross margin for our Energy segment decreased by \$72 million for the six months ended June 30, 2023 as compared to the comparable prior year period. Gross margin as a percentage of net sales was 13% and 12% for the six months ended June 30, 2023 and 2022, 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 lower crack spreads, offset in part by favorable RINs liability revaluation and higher derivative performance.

Automotive

Our Automotive segment's results of operations are generally driven by the demand for automotive service and maintenance, which is impacted by general economic factors, vehicle miles traveled, and the average age of vehicles on the road, among other factors.

Our Automotive segment has been in the process of a multi-year transformation plan. As part of this plan, during the year ended December 31, 2022, our Automotive segment completed the separation of certain of its automotive services and aftermarket parts businesses into two separate operating companies. In January 2023, Auto Plus filed a voluntary bankruptcy petition seeking relief under Chapter 11 of the Bankruptcy Code, which has reduced our Automotive segment's assets, reduced the sales of our Automotive segment in the six months ended June 30, 2023, and will result in lower net sales from our Automotive segment in future periods. Our results of operations for the six months ended June 30, 2023 include the results of Auto Plus prior to its January 31, 2023 bankruptcy petition.

Our Automotive segment's results include a wholly owned subsidiary the Company, which acquired \$10 million of assets, mainly comprised of aftermarket parts inventory from the Auto Plus auction. There have been no significant transactions with this entity for the six months ended June 30, 2023.

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;
- Improving inventory management and tire distribution network;
- Investment in, and strategic review of, capital projects within Icahn Automotive's owned and leased locations to increase leasing revenue, restructure lease liabilities, and reduce occupancy costs;
- Investment in customer experience initiatives and selective upgrades in facilities;
- Investment in employees with focus on training and career development; 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 include automotive services labor. Automotive services labor revenues are included in other revenues from operations in our condensed consolidated statements of operations, however, the sales of any installed parts or materials related to automotive services are included in net sales. Rental revenues for properties leased to third parties are included in other revenues from operations in our condensed consolidated statements of operations, however, are excluded from the table below. Therefore, we discuss the combined results of our automotive net sales and automotive services labor revenues below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in millions)			
Net sales and other revenues from operations	\$ 412	\$ 608	\$ 853	\$ 1,162
Cost of goods sold and other expenses from operations	315	422	653	815
Gross margin	<u>\$ 97</u>	<u>\$ 186</u>	<u>\$ 200</u>	<u>\$ 347</u>

Three Months Ended June 30, 2023 and 2022

Net sales and other revenues from operations for our Automotive segment for the three months ended June 30, 2023 decreased by \$196 million (32%) as compared to the comparable prior year period. The decrease was attributable to a

decrease in aftermarket parts sales of \$196 million (91%), due to the deconsolidation of Auto Plus as of January 31, 2023.

Cost of goods sold and other expenses from operations for the three months ended June 30, 2023 decreased by \$107 million (25%) as compared to the comparable prior year period. The decrease was primarily driven by decreased aftermarket parts sales related to the deconsolidation of Auto Plus. Gross margin on net sales and other revenue from operations for the three months ended June 30, 2023 decreased from the comparable prior year period. Gross margin as a percentage of net sales and other revenue from operations was 24% and 31% for the three months ended June 30, 2023 and 2022, respectively.

Six Months Ended June 30, 2023 and 2022

Net sales and other revenues from operations for our Automotive segment for the six months ended June 30, 2023 decreased by \$309 million (27%) as compared to the comparable prior year period. The decrease was attributable to a decrease in aftermarket parts sales of \$324 million (78%), offset in part by an increase in automotive services revenue of \$15 million (2%). The decrease in aftermarket part sales was due to the deconsolidation of Auto Plus as of January 31, 2023.

Cost of goods sold and other expenses from operations for the six months ended June 30, 2023 decreased by \$162 million (19%) as compared to the comparable prior year period. The decrease was primarily driven by decreased aftermarket parts sales related to the deconsolidation of Auto Plus. Gross margin on net sales and other revenue from operations for the six months ended June 30, 2023 decreased from the comparable prior year period. Gross margin as a percentage of net sales and other revenue from operations was 23% and 30% for the six months ended June 30, 2023 and 2022, respectively.

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 June 30, 2023 and 2022

Net sales for the three months ended June 30, 2023 increased \$7 million (6%) as compared to the comparable prior year period. Impacts to sales were due to an increase of \$8 million in price and product mix and \$1 million due to the favorable effects of foreign exchange, offset in part by a decrease of \$2 million due to lower volume. Cost of goods sold for the three months ended June 30, 2023 was flat as compared to the comparable prior year period due to the effects of higher purchase price variance and manufacturing variances offset by lower volume and improved distribution costs. Gross margin as a percentage of net sales was 23% and 18% for the three months ended June 30, 2023 and 2022, respectively.

Six Months Ended June 30, 2023 and 2022

Net sales for the six months ended June 30, 2023 increased \$24 million (11%) as compared to the comparable prior year period. Impacts to sales were due to an increase of \$29 million in price and product mix, offset in part by a decrease of \$2 million from the unfavorable effects of foreign exchange offset and a decrease of \$3 million due to volume. Cost of goods sold for the six months ended June 30, 2023 increased by \$10 million (6%) as compared to the comparable prior year period due to the effects of manufacturing variances offset in part by lower distribution costs and volume. Gross margin as a percentage of net sales was 23% and 19% for the six months ended June 30, 2023 and 2022, respectively.

Real Estate

Our Real Estate segment consists primarily of investment properties the development and sale of single-family homes, and the management of a country club. Sales of single-family homes are included in net sales in our consolidated statements of operations. Results from investment properties and country club operations are included in other revenues from operations in our consolidated statements of operations. Revenue from our real estate operations for each of the three months ended June 30, 2023 and 2022 were primarily derived from the sale of residential units and rental operations.

During the second quarter of 2023, a significant tenant of a commercial high-rise property within our Real Estate segment was notified of default for non-payment. The tenant was unable to cure the default status and the lease was terminated. We considered this default, along with other facts and circumstances, a triggering event for potential impairment and we assessed the carrying value of this long-lived asset for recoverability during the second quarter of 2023. Based on the recoverability analysis, we determined the undiscounted cash flows of the commercial high-rise property exceeded its carrying value and therefore, no impairment is required. We do not anticipate that this lease termination will have a substantial impact on other revenues from 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 June 30, 2023 and 2022

Net sales for the three months ended June 30, 2023 decreased by \$23 million (33%) compared to the comparable prior year period due to normalized demand for our hospitality business in 2023 compared to a post pandemic related increase in demand in 2022 and a one-time textile award for the 2022 FIFA World Cup. Retail sales decreased as the soft home category has slowed, retailers have trimmed inventory and some retail customers have filed for bankruptcy. Cost of goods sold for the three months ended June 30, 2023 decreased by \$22 million (39%) compared to the comparable prior year period mostly due to lower hospitality and retail sales along with lower material and freight costs. Gross margin as a percentage of net sales was 24% and 17% for the three months ended June 30, 2023 and 2022, respectively.

Six Months Ended June 30, 2023 and 2022

Net sales for the six months ended June 30, 2023 decreased by \$38 million (31%) compared to the comparable prior year period due to normalized demand for our hospitality business in 2023 compared to a post pandemic related increase in demand in 2022 and a one-time textile award for the 2022 FIFA World Cup. Retail sales decreased as the soft home category has slowed, retailers have trimmed inventory and some retail customers have filed for bankruptcy. Cost of goods sold for the six months ended June 30, 2023 decreased by \$35 million (34%) compared to the comparable prior year period mostly due to lower hospitality and retail sales along with lower material and freight costs. Gross margin as a percentage of net sales was 22% and 18% for the six months ended June 30, 2023 and 2022, respectively.

Pharma

Our Pharma segment derives revenues primarily from the sale of its products directly to customers, wholesalers and pharmacies.

Three Months Ended June 30, 2023 and 2022

Net sales for the three months ended June 30, 2023 increased by \$5 million (28%) compared to the comparable prior year period primarily due to higher prescription growth resulting in increased sales. Cost of goods sold for the three months ended June 30, 2023 increased \$2 million (17%) compared to the prior year period due to increased sales. Gross margin as a percentage of net sales was 39% and 33% for both of the three months ended June 30, 2023 and 2022, respectively.

Six Months Ended June 30, 2023 and 2022

Net sales for the six months ended June 30, 2023 increased by \$10 million (30%) compared to the comparable prior year period primarily due to higher prescription growth resulting in increased sales. Cost of goods sold for the six months ended June 30, 2023 increased \$2 million (8%) compared to the prior year period due to increased sales. Gross margin as a percentage of net sales was 40% and 27% for both of the six months ended June 30, 2023 and 2022, respectively.

Holding Company

Our Holding Company's results of operations primarily reflect the loss on deconsolidation of subsidiary, credit loss on related party note receivable, net and interest expense on its senior unsecured notes for each of the three and six months ended June 30, 2023 and 2022.

Other Consolidated Results of Operations

Loss on deconsolidation of subsidiary

As discussed in Note 3, "Subsidiary Bankruptcy and Deconsolidation", to the consolidated financial statements, we deconsolidated Auto Plus effective as of January 31, 2023, resulting in a pretax loss on deconsolidation of subsidiary of \$246 million during the six months ended June 30, 2023.

Credit loss on related party note receivable

Our credit loss on related party note receivable of \$116 million for the six months ended June 30, 2023 relates to the note receivable expected to be uncollectible.

Selling, General and Administrative

Three Months Ended June 30, 2023 and 2022

Our consolidated selling, general and administrative costs during the three months ended June 30, 2023 decreased by \$100 million (32%) as compared to the comparable prior year period primarily due to lower expenses of our Automotive segment mainly related to the deconsolidation of Auto Plus.

Six Months Ended June 30, 2023 and 2022

Our consolidated selling, general and administrative costs during the six months ended June 30, 2023 decreased by \$172 million (28%) as compared to the comparable prior year period primarily due to lower expenses of our Automotive segment mainly related to the deconsolidation of Auto Plus.

Interest Expense

Three Months Ended June 30, 2023 and 2022

Our consolidated interest expense during the three months ended June 30, 2023 decreased by \$15 million (10%) as compared to the comparable prior year period. The decrease was primarily due to lower interest expense for our Investment segment due to a reduction in short credit exposure.

Six Months Ended June 30, 2023 and 2022

Our consolidated interest expense during the six months ended June 30, 2023 decreased by \$7 million (2%) as compared to the comparable prior year period. The decrease was primarily due to lower interest expense for our Holding Company due to the \$500 million debt repayment in February 2022.

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 15, "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 depends on the cash flow resulting from divestitures, equity offerings 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 June 30, 2023, our Holding Company had cash and cash equivalents of approximately \$1.6 billion and total debt of approximately \$5.3 billion. During the quarter ended June 30, 2023, the cash available to our Holding Company declined by \$100 million in connection with the establishment of a captive insurance program to supplement the insurance coverage of the officers, directors, employees and agents of the Company, its subsidiaries and our general partner, in addition to our newly established commercial insurance program. If and when the captive insurance program is cancelled, previously restricted funds will be released and returned to the Holding Company. As of June 30, 2023, our Holding Company had investments in the Investment Funds with a total fair market value of approximately \$3.8 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

	June 30, 2023	December 31, 2022
	(in millions)	
4.750% senior unsecured notes due 2024	\$ 1,102	\$ 1,103
6.375% senior unsecured notes due 2025	749	749
6.250% senior unsecured notes due 2026	1,250	1,250
5.250% senior unsecured notes due 2027	1,460	1,460
4.375% senior unsecured notes due 2029	747	747
	<u>\$ 5,308</u>	<u>\$ 5,309</u>

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

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, the 6.375% senior unsecured note due 2025 and the 6.250% senior unsecured note due 2026 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 June 30, 2023 and December 31, 2022, we were in compliance with all covenants, including maintaining certain minimum financial ratios, as defined in the indentures. Additionally, as of June 30, 2023, based on covenants in the indentures governing our senior unsecured notes, we are not permitted to incur additional indebtedness; however, we are permitted to issue new notes in connection with debt refinancings of existing notes.

At-The-Market Offerings

During the six months ended June 30, 2023, Icahn Enterprises sold 3,395,353 depositary units pursuant to its Open Market Sale Agreement, resulting in gross proceeds of \$175 million. We continue to have an active Open Market Sale Agreement and Icahn Enterprises may sell its depositary units for up to an additional \$149 million in aggregate gross sale proceeds pursuant to this agreement. No assurance can be made that any or all amounts will be sold during the term of the agreement, and we have no obligation to sell additional depositary units under the Open Market Sale Agreement. Depending on market conditions, we may continue to sell depositary units under the Open Market Sale Agreement, and, if appropriate, enter into a new Open Market Sale Agreement to continue our "at-the-market" sales program once we have sold the full amount of our existing Open Market Sale Agreement. Our ability to access remaining capital under our "at-the-market" program may be limited by market conditions at the time of any future potential sale. While we were able to sell depositary units during the six months ended June 30, 2023 (all of which were completed during the three months ended March 31, 2023), there can be no assurance that any future capital will be available on acceptable terms or at all under this program.

LP Unit Distributions

During the six months ended June 30, 2023, Icahn Enterprises declared two quarterly dividends aggregating \$4.00 per depositary unit in which each depositary unitholder had the option to make an election to receive either cash or additional depositary units. In connection with this distribution, aggregate cash distributions to all depositary unitholders that made a timely election to receive cash was \$175 million during the six months ended June 30, 2023.

On August 2, 2023, the Board of Directors of the general partner of Icahn Enterprises declared a quarterly distribution in the amount of \$1.00 per depositary unit, which will be paid on or about September 27, 2023 to depositary unitholders of record at the close of business on August 18, 2023. Depositary unitholders will have until September 15, 2023 to make a timely election to receive either cash or additional depositary units. If a unitholder does not make a timely election, it will automatically be deemed to have elected to receive the distribution in additional depositary units. Depositary unitholders who elect to receive (or who are deemed to have elected to receive) additional depositary units will receive units valued at the volume weighted average trading price of the units during the five consecutive trading days ending September 22, 2023. Icahn Enterprises will make a cash payment in lieu of issuing fractional depositary units to any unitholders electing to receive (or who are deemed to have elected to receive) depositary units.

Repurchase Authorization

On May 9, 2023, the Board of Directors of the General Partner approved a repurchase program which authorizes Icahn Enterprises or affiliates of Icahn Enterprises to repurchase up to an aggregate of \$500 million worth of any of our outstanding fixed-rate senior unsecured notes issued by Icahn Enterprises and Icahn Enterprises Finance Corp. and up to an aggregate of \$500 million worth of the depository units issued by Icahn Enterprises (the “Repurchase Program”). The repurchases of senior notes or depository units may be done for cash from time to time in the open market, through tender offers or in privately negotiated transactions upon such terms and at such prices as management may determine. The authorization of the Repurchase Program is for an indefinite term and does not expire until later terminated by the Board of Directors. As of June 30, 2023, the Company has not repurchased any of the Company’s depository units or senior notes under the Repurchase Program.

Investment Segment Liquidity

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 June 30, 2023, the Investment Funds had a net short notional exposure of 18%. The Investment Funds’ long exposure was 103% (87% long equity and 16% long credit) and its short exposure was 121% (101% short equity, 14% short credit and 6% short 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 June 30, 2023.

Of the Investment Funds’ 103% long exposure, 70% was comprised of the fair value of its long positions and 33% was comprised mostly of single name equity forward and swap contracts. Of the Investment Funds’ 121% short exposure, 49% was comprised of the fair value of its short positions (with certain adjustments) and 72% was comprised mostly 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 (49% 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 (72% 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.

During the second quarter, our bearish view on the market shifted which has impacted and may continue to impact our net short position accordingly.

Investment Funds Redemption

During the six months ended June 30, 2023, Mr. Icahn and his affiliates (excluding us and Brett Icahn) redeemed \$1,452 million from his personal interests in the Investment Funds included in the Investment segment.

Other Segment Liquidity*Segment Cash and Cash Equivalents*

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

	June 30, 2023	December 31, 2022
	(in millions)	
Energy	\$ 751	\$ 510
Automotive	59	32
Food Packaging	7	9
Real Estate	46	26
Home Fashion	5	5
Pharma	24	16
	<u>\$ 892</u>	<u>\$ 598</u>

Segment Borrowings and Availability

Segment debt consists of the following:

	June 30, 2023	December 31, 2022
	(in millions)	
Energy	\$ 1,591	\$ 1,591
Automotive	19	21
Food Packaging	150	162
Real Estate	1	1
Home Fashion	9	12
	<u>\$ 1,770</u>	<u>\$ 1,787</u>

Refer to our Annual Report on Form 10-K for the year ended December 31, 2022 for information concerning terms, restrictions and covenants pertaining to our subsidiaries' debt. As of June 30, 2023, all of our subsidiaries were in compliance with all debt covenants.

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

	June 30, 2023
	(in millions)
Energy	\$ 290
Food Packaging	25
Home Fashion	1
	<u>\$ 316</u>

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

Subsidiary Stock Repurchase Program

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. On February 22, 2021, the Board of Directors of CVR Partners authorized an additional \$10 million under the unit repurchase program. During the six months ended June 30, 2023, CVR Partners did not repurchase any common units.

[Table of Contents](#)

During the six months ended June 30, 2022, CVR Partners repurchased 111,695 common units on the open market at a cost of \$12 million. As of June 30, 2023, CVR Partners has a nominal amount remaining under its unit repurchase program.

Subsidiary Dividends

For the first quarter of 2023, our Energy segment paid a cash dividend of \$0.50 per share, which was paid May 22, 2023 to shareholders of record as of May 15, 2023. Our portion of the dividend included approximately \$36 million in cash.

For the second quarter of 2023, our Energy segment declared a cash dividend of \$0.50 per share, which is payable August 21, 2023 to shareholders of record as of August 14, 2023. Our portion of the dividend will include approximately \$36 million in cash.

For the second quarter of 2023, our Energy segment declared a special dividend of \$1.00 per share, or \$101 million, which is payable August 21, 2023 to shareholders on record as of August 14, 2023. Our portion of the dividend will include approximately \$71 million in cash.

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 issuances of equity by Icahn Enterprises. 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) and Brett Icahn, 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>Six Months Ended June 30, 2023</u>			<u>Six Months Ended June 30, 2022</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	\$ (125)	\$ 54	\$ 30	\$ (183)	\$ 120	\$ (204)
Investment	1,411	—	(1,462)	2,106	—	5
Other Operating Segments:						
Energy	614	(130)	(243)	712	(156)	(173)
Automotive	42	(21)	5	(11)	(50)	66
Food Packaging	17	(7)	(12)	(5)	(9)	6
Real Estate	14	2	3	25	(7)	(18)
Home Fashion	(4)	(1)	5	(18)	—	18
Pharma	8	—	—	3	—	—
Other operating segments	691	(157)	(242)	706	(222)	(101)
Total before eliminations	1,977	(103)	(1,674)	2,629	(102)	(300)
Eliminations	—	(53)	53	—	33	(33)
Consolidated	<u>\$ 1,977</u>	<u>\$ (156)</u>	<u>\$ (1,621)</u>	<u>\$ 2,629</u>	<u>\$ (69)</u>	<u>\$ (333)</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.

Holding Company

Our Holding Company's cash flows from operating activities for each of the six months ended June 30, 2023 and 2022 were primarily attributable to our semi-annual interest payments on our senior unsecured notes. The decrease in interest payments over the comparable period is primarily due to the redemption of \$500 million of senior unsecured notes in February 2022.

Our Holding Company's cash flows from investing activities for the six months ended June 30, 2023 were primarily attributable to dividends from our Energy segment of \$71 million offset in part by net contributions to our operating subsidiaries aggregating \$18 million. Our Holding Company's cash flows from investing activities for the six months ended June 30, 2022 were primarily attributable to proceeds from the sale of equity investments aggregating \$153 million.

Our Holding Company's cash flows used in financing activities for the six months ended June 30, 2023 were due to proceeds of \$185 million from our "at-the-market" offering offset in part by the aggregate payments on our quarterly distributions. Our Holding Company's cash flows used in financing activities for the six months ended June 30, 2022 were due to the redemption of \$500 million of senior unsecured notes offset in part by proceeds from our "at-the-market" offering offset in part by the aggregate payments on our 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 six months ended June 30, 2023 was mainly attributable to redemptions paid to Mr. Icahn and his affiliates (excluding us and Brett Icahn) of \$1,452 million. Our Investment segment's cash flows from financing activities for the six months ended June 30, 2022 was attributable to Brett Icahn's contribution to the Funds of \$5 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 \$667 million and \$597 million for the six months ended June 30, 2023 and 2022, respectively, primarily due to the results of our Energy segment during both periods. The change in cash flows from operating activities for the six months ended June 30, 2023 as compared to the comparable prior year was primarily due to an increase in the operating results of our Automotive segment primarily associated with the deconsolidation of Auto Plus.

Our other operating segments' cash flows from investing activities were primarily due to capital expenditures and turnaround expenditures in our Energy segment of \$150 million in 2023 compared to \$156 million in 2022 and capital expenditures within our Automotive segment of \$21 million in 2023 compared to \$51 million in 2022.

Our other operating segments' cash flows from financing activities were primarily due to our Energy segment. For the six months ended June 30, 2023, our Energy segment paid a distribution to noncontrolling interests of \$170 million, compared to \$62 million paid in the six months ended June 30, 2022. In addition, for the six months ended June 30, 2022, our Energy segment redeemed senior notes of \$65 million.

Consolidated Capital Expenditures

There have been no material changes to our planned capital expenditures as compared to the estimated capital expenditures for 2023 reported in our Annual Report on Form 10-K for the year ended December 31, 2022.

Critical Accounting Estimates

The critical accounting 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, 2022.

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, 2022.

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 June 30, 2023, 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 \$482 million, \$337 million and \$880 million, respectively. However, as of June 30, 2023, 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 interest of approximately 55% in the Investment Funds.

Item 4. Controls and Procedures

As of June 30, 2023, our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of Icahn Enterprises' 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 our disclosure controls and procedures are 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.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended June 30, 2023 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 18, “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 18, 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, 2022.

Item 1A. Risk Factors

Other than as set forth below, there were no material changes to our risk factors during the three months ended June 30, 2023 as compared to those reported in our Annual Report on Form 10-K for the year ended December 31, 2022.

Our general partner, and its control person, has significant influence over us, and sales by our controlling unitholder pursuant to a margin call or otherwise could cause our unit price or the value of our assets in the Investment Funds to decline or otherwise impact our liquidity.

Mr. Icahn, through affiliates, owns 100% of Icahn Enterprises GP, the general partner of Icahn Enterprises, and approximately 85% of Icahn Enterprises’ outstanding depositary units as of June 30, 2023, and, as a result, has the ability to influence many aspects of our operations and affairs.

Mr. Icahn’s estate plan has been designed to assure the stability and continuation of Icahn Enterprises and to minimize the need to monetize his interests for estate tax or other purposes. In the event of Mr. Icahn’s death, a substantial majority of Mr. Icahn’s interests in Icahn Enterprises and its general partner are expected to pass to trusts or charitable organizations that will be under the control of a group that will include Icahn family members and current or former senior Icahn Enterprises executives. However, there can be no assurance that such planning will be effective. Furthermore, if upon Mr. Icahn’s death control of Icahn Enterprises GP is not given to Brett Icahn, Brett Icahn will have the right to terminate the manager agreement between Brett Icahn and Icahn Enterprises. In addition, it is currently anticipated that Brett Icahn will succeed Carl Icahn as Chairman of the board of Icahn Enterprises GP and as Chief Executive Officer of the Investment segment following the end of the 7-year term of the manager agreement or earlier if Carl Icahn should so determine.

In addition, in past years through the present, Mr. Icahn from time to time has had and currently has borrowings from lenders and has pledged assets he owns personally, directly or through his affiliates, to secure these loans, which pledged assets include Icahn Enterprises depositary units and interests in the Investment Funds. The number of depositary units and the amount of interests in the Investment Funds owned personally by Mr. Icahn, directly or through his affiliates, pledged to secure these loans has been substantial and has fluctuated over time as a result of the amount of outstanding principal amount of the loans, the market price of the depositary units, the value of the Investment Fund interests, and other factors. As of July 10, 2023, Mr. Icahn and his affiliates have pledged 320 million depositary units and approximately \$2 billion of interests in the Investment Funds. Neither Icahn Enterprises nor any of its subsidiaries are party to these loans. Mr. Icahn amended and restated his loan agreements in July of 2023 (as amended and restated, the “Loan Agreement”), extending the maturity of certain of the previous loans, amending certain covenants, and providing for a principal payment of \$500 million on or before September 1, 2023, quarterly principal payments of \$87.5 million beginning in September 2024, and a final principal payment of \$2.5 billion at the end of the term. The terms of the Loan Agreement require that distributions paid upon, or proceeds from sales of, pledged depositary units be used to prepay the loans or be pledged as additional collateral. Pursuant to the terms of the Loan Agreement, a margin call may only be triggered in the event that the loan-to-value ratio set forth in the Loan Agreement is not maintained.

Unlike the previous loan agreements, for purposes of the loan-to-value ratio set forth in the Loan Agreement, the value of the pledged depositary units will be calculated based upon IEP’s indicative net asset value rather than the market price of the depositary units. Only a significant decline in the Company’s indicative net asset value, or the value of the interests in the Investment Funds, could result in margin calls. Declines in the trading price of the Company’s

depository units will no longer require Mr. Icahn to deposit additional funds or securities with the lenders or suffer foreclosure on or a forced sale of Mr. Icahn's depository units or other assets. While we are confident in our investment strategy and ability to continue to grow our investment portfolio through a refocused activist strategy, and in the effectiveness of our hedges, which are designed to avoid fluctuations in the value of our portfolio, successful execution of our activist investment activities and other aspects of our business involves many risks, some of which are out of our control.

Mr. Icahn may sell depository units or make withdrawals from the Investment Funds in order to satisfy payment obligations under the Loan Agreements. Mr. Icahn has made withdrawals from the Investment Funds in recent months, and may make additional withdrawals, in order to repay a portion of his loans and for other purposes. In the event Mr. Icahn makes withdrawal requests from the Investment Funds, the Investment Funds may satisfy such withdrawal requests with cash or cash equivalents on hand, proceeds from sales of assets held by the Investment Funds or capital contributions from the Company, which could affect the value of the assets held by the Investment Funds as well as the liquidity available to the Company.

The affirmative vote of unitholders holding more than 75% of the total number of all depository units then outstanding, including depository units held by Icahn Enterprises GP and its affiliates, is required to remove Icahn Enterprises GP as the general partner of Icahn Enterprises. Mr. Icahn, through affiliates, holds approximately 85% of Icahn Enterprises' outstanding depository units. If sales of depository units held by Mr. Icahn and his affiliates, as a result of a margin call, foreclosure, changes in tax laws, changes to his estate, or otherwise, were to cause Mr. Icahn and his affiliates to no longer hold at least 25% of the outstanding depository units, Icahn Enterprises GP could potentially be removed as the general partner of Icahn Enterprises without Mr. Icahn's consent.

Sales of a substantial number of depository units held by Mr. Icahn and his affiliates could have a negative impact on the market price of our depository units. Likewise, the market may anticipate sales by Mr. Icahn or his estate even if Mr. Icahn or his estate is not selling, or has no plans to sell, depository units.

We have become subject to, and may in the future be, subject to short selling strategies driving down the market price of our depository units and increasing the volatility of the trading market for our depository units, as well as regulatory investigations and litigation.

On May 2, 2023, a firm published a report making allegations about the Company in an attempt to drive down the market price of our depository units, and the price of our depository units declined significantly after the publication of this report and the market for our depository units has been highly volatile since the publication of the report. Short selling is the practice of selling securities that the seller does not own but may have borrowed with the intention of buying identical securities back at a later date. The short seller hopes to profit from a decline in the value of the securities between the time the securities are borrowed and the time they are replaced. As it is in the short seller's best interests for the price of the securities to decline, many short sellers (sometimes known as "disclosed shorts") publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects to create negative market momentum. Although traditionally these disclosed shorts were limited in their ability to access mainstream business media or to otherwise create negative market rumors, the rise of the Internet and technological advancements regarding document creation, videotaping and publication by weblog have allowed many disclosed shorts to publicly attack a company's credibility, strategy and veracity by means of so-called "research reports" that mimic the type of investment analysis performed by large Wall Street firms and independent research analysts. These short attacks have, in the past, led to selling of securities in the market. Further, these short seller publications are not regulated by any governmental, self-regulatory organization or other official authority in the U.S. and they are not subject to certification requirements imposed by the SEC. Companies that are subject to unfavorable allegations, even if untrue, may have to expend a significant amount of resources to investigate such allegations and/or defend themselves, including securityholder suits against the company that may be prompted by such allegations, and we have already expended significant resources and management time in response to the short seller report. As a result of the recent short seller report we may also be the subject of suits or government inquiries prompted by the allegations made by the short seller, and future short seller reports could prompt additional lawsuits or investigations.

Since the publication of the short seller report in May of 2023, we have received two, and may receive additional, putative securities class action lawsuits. The two putative securities class action lawsuits were filed in the U.S. District Court for the Southern District of Florida, *Okaro v. Icahn Enterprises L.P. et al.*, Case No. 23-21773 (S.D. Fl.), and *Levine v. Icahn Enterprises L.P. et al.*, Case No. 23-22009 (S.D. Fl.). These lawsuits have not yet been consolidated and a lead plaintiff has not been appointed. In addition, we have received demands for inspection of our books and records from plaintiffs purporting to be record holders of our depositary units. We have also received voluntary requests for information from the staff of the Division of Enforcement of the SEC and the U.S. Attorney's office for the Southern District of New York, relating to, among other things, our corporate governance, capitalization, securities offerings, the sufficiency of our disclosure, including with respect to Mr. Icahn's loans and pledges of depositary units, dividends, the valuation of our assets, marketing materials, due diligence and other materials. See Item 1 of Part II, "Legal Proceedings," of this Report. We can provide no assurance as to the outcome or resolution of any pending or potential legal or administrative actions or investigations, and such actions and investigations may result in administrative orders against us, the imposition of penalties and/or fines against us and/or the imposition of sanctions against certain of the Company's current or former officers, directors and/or employees. Resolution of these types of matters can be prolonged and costly, and the ultimate results or judgments are uncertain due to the inherent uncertainty in the outcomes of litigation and other proceedings. However, as we have stated, we believe that we maintain a strong compliance program and, while no assurances can be made, and we are still evaluating these matters, we do not currently believe that these inquiries and litigations will have a material impact on our business, financial condition, results of operations or cash flows.

We may become taxable as a corporation if we are no longer treated as a partnership for U.S. federal income tax purposes.

We believe that we have been and are properly treated as a partnership for U.S. federal income tax purposes. This allows us to pass through our income and deductions to our partners. However, the Internal Revenue Service ("IRS") could challenge our partnership status and we could fail to qualify as a partnership for past years as well as future years.

Qualification as a partnership involves the application of highly technical and complex provisions of the Internal Revenue Code, as amended. For example, a publicly traded partnership is generally taxable as a corporation unless 90% or more of its gross income is "qualifying" income, which includes interest, dividends, oil and gas revenues, real property rents, gains from the sale or other disposition of real property, gain from the sale or other disposition of capital assets held for the production of interest or dividends, and certain other items. We believe that in all prior years of our existence at least 90% of our gross income was "qualifying" income and we intend to structure our business in a manner such that at least 90% of our gross income will constitute "qualifying" income this year and in the future. However, there can be no assurance that such structuring will be effective in all events to avoid the receipt of more than 10% of non-qualifying income. The Board of Directors of our General Partner has approved the repurchase by the Company of up to \$500 million of our outstanding senior notes, and if any such debt is repurchased at a discount, we may recognize cancellation of indebtedness ("COD") income, which, in some circumstances, may not be considered "qualifying" income. If less than 90% of our gross income constitutes "qualifying" income, we may be subject to corporate tax on our net income plus possible state taxes. Further, if less than 90% of our gross income constituted "qualifying" income for past years, we may be subject to corporate level tax plus interest and possibly penalties. In addition, if we become required to register under the Investment Company Act, it is likely that we would be treated as a corporation for U.S. federal income tax purposes. The cost of paying federal and possibly state income tax, either for past years or going forward could be a significant liability and would reduce our funds available to make distributions to holders of units, and to make interest and principal payments on our debt securities. To meet the "qualifying" income test, we may structure transactions in a manner which is less advantageous than if this were not a consideration, or we may avoid otherwise economically desirable transactions.

Our subsidiaries' competitors may be larger and have greater financial resources and operational capabilities than our subsidiaries do, which may require them or us to invest significant additional capital in order to effectively compete. Our investments, or our subsidiaries' investments, may not achieve desired results and may become impaired.

Our operating subsidiaries face competitive pressures within markets in which they operate. We manage our subsidiaries with the objective of growing their value over time by, among other means, investing in and strengthening our subsidiaries' competitive advantages. Many factors, including availability of financial resources, supply chain capabilities and local market changes, may limit our ability to strengthen our subsidiaries' competitive advantages. In addition, competitors may be significantly larger than our subsidiaries are and may have greater financial resources and operational capabilities. Accordingly, our subsidiaries may require significant additional resources, which may not be available to them through internally generated cash flows, and a decline in these businesses could result in an impairment charge. With respect to our Automotive segment, we have invested significant resources in various initiatives to remain competitive and stimulate growth. Despite these efforts, in January 2023, Auto Plus filed the Chapter 11 Cases in Bankruptcy Court. As a result of this filing, the Company has determined that it no longer controls Auto Plus and has deconsolidated its investment in Auto Plus effective as of January 31, 2023 resulting in a non-cash charge of \$246 million recorded in the three months ended June 30, 2023 and determined that our remaining equity investment in Auto Plus is now worth \$0. In the course of the Chapter 11 cases, Auto Plus will seek to sell substantially all of its assets pursuant to Section 363 of the Bankruptcy Code, with the proceeds of such sale used to satisfy obligations to its creditors, and to settle or discharge all of its obligations, in each case subject to approval by the Bankruptcy Court, which has had and continue to have a negative impact on the results of operations and balance sheet of our Automotive segment. In addition, we will continue to consider strategic alternatives in our automotive aftermarket parts business to maximize value. If we are unable to implement these initiatives efficiently and effectively, or if these initiatives are unsuccessful, our consolidated financial condition, results of operations and cash flows could be adversely affected.

Future cash distributions to Icahn Enterprises' unitholders, if any, can be affected by numerous factors.

While we made cash distributions to Icahn Enterprises' unitholders in each of the four quarters of 2022 and the first two quarters of 2023, the payment of future distributions will be determined by the board of directors of Icahn Enterprises GP, our general partner, quarterly, based on a review of a number of factors, including those described below and other factors that it deems relevant at the time that declaration of a distribution is considered. For our quarterly distribution declared August 4, 2023, we have continued to provide an option for unitholders to receive a distribution in either depository units or cash; however, for this distribution, unitholders will receive a distribution of \$1.00 per unit payable in depository units or cash at the election of the unitholder.

Our ability to pay distributions will depend on numerous factors, including the availability of adequate cash flow from operations; the proceeds, if any, from divestitures; our capital requirements and other obligations; restrictions contained in our financing arrangements, including the indentures governing our senior notes; and our issuances of additional equity and debt securities. Mr. Icahn and his affiliates own approximately 85% of our outstanding depository units, and he has generally elected to take his quarterly distribution in units instead of cash. We anticipate that Mr. Icahn will elect to take his distributions in a mix of cash and units with respect to future distributions, which could further reduce the ability of the Company to maintain its current or historical cash distribution amounts. The availability of cash flow in the future depends as well upon events and circumstances outside our control, including prevailing economic and industry conditions and financial, business and similar factors. No assurance can be given that we will be able to make distributions or as to the timing of any distribution. Even if distributions are made, there can be no assurance that holders of depository units will not be required to recognize taxable income in excess of cash distributions made in respect of the period in which a distribution is made.

Item 5. Other Information

During our last fiscal quarter, no director or officer, as defined in Rule 16a-f(1), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

Item 6. Exhibits

Exhibit No.	Description
4.1	Amended and Restated Depositary Agreement among Icahn Enterprises, Icahn Enterprises GP and Computershare Inc., dated as of August 2, 2016
31.1	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.
31.2	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.
32.1	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.
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/ David Willetts
David Willetts,
President, Chief Executive Officer and Director

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

By: /s/ Ted Papapostolou
Ted Papapostolou,
Chief Financial Officer, Chief Accounting Officer
and Director

Date: August 4, 2023

DEPOSITARY AGREEMENT

THIS SECOND AMENDED AND RESTATED DEPOSITARY AGREEMENT is entered into as of August 2, 2016, (the “Agreement”), among Icahn Enterprises, L.P. (formerly American Real Estate Partners, L.P.), a Delaware limited partnership (the “Partnership”), Icahn Enterprises G.P. Inc. (formerly American Property Investors, Inc.), a Delaware corporation (the “General Partner”), and Computershare Inc., a Delaware corporation (the “Computershare”), and its fully owned subsidiary Computershare Trust Company, N.A., a federally chartered trust company (together with Computershare, the “Depositary”), effective as of the date of the Original Agreement (as hereinafter defined).

WHEREAS, the Partnership is a limited partnership formed pursuant to an Agreement of Limited Partnership dated as of May 12, 1987 by and among, the General Partner and the organizational limited partner, as amended and restated from time to time in accordance with its terms (the “Partnership Agreement”);

WHEREAS, the Partnership and the General Partner entered into a Depositary Agreement with the Depositary dated July 1, 1987, as amended by Amendment No. 1 to the Depositary Agreement dated February 22, 1995, and as amended and restated as of August 23, 2013, (as amended and restated, the “Original Agreement”), to appoint the Depositary to act as depositary in connection with the Partnership’s depositary units (the “Depositary Units”) representing limited partner interests;

WHEREAS, Section 10.2 of the Original Agreement provides that any provision of the Original Agreement may be amended upon mutual agreement of the Partnership and the Depositary, so long as such amendment does not impair the right of a Record Holder who is a Limited Partner to surrender a Depositary Unit and withdraw from deposit any of the Depositary Units evidenced thereby or to redeposit Units previously withdrawn from deposit and receive a Depositary Receipt evidencing such redeposited Units;

WHEREAS, the Partnership and the Depositary desire to amend and restate the Original Agreement to in compliance with Section 10.2 of the Original Agreement;

NOW, THEREFORE, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Capitalized terms not otherwise defined in this Agreement shall have the meanings ascribed to them in the Partnership Agreement.

ARTICLE II

DEPOSIT OF CERTIFICATES OF LIMITED
PARTNER INTERESTS; REPRESENTATIONS AND
WARRANTIES OF THE PARTNERSHIP

2.1 Deposit of Certificates of Limited Partner Interests. Pursuant to Section 9.01 of the Partnership Agreement, and subject to the terms and conditions of this Agreement, on the date of any issuance of Depositary Units by the Partnership, the General Partner shall either (i) deposit with the Depositary a Certificate or Certificates or (ii) in the case of uncertificated Depositary Units, provide evidence of a credit to the book-entry account maintained by the Registrar (as hereinafter defined), in either case evidencing the aggregate whole number of Depositary

Units so issued. Such deposit or book-entry credit shall be accompanied by (a) written instructions containing the name, address, social security or taxpayer identification number of and the number of Depositary Units to be issued to each investor in the Partnership, and (b) a written request that the Depositary execute and deliver to each such investor Depositary Receipts evidencing the Depositary Units, registered in the name of such investor, or book-entry credit in the name of such investor, in accordance with such written instructions. Each investor shall thereupon be recognized by the Partnership as a Record Holder as of the closing date of such issuance of Depositary Units.

2.2 Representations and Warranties of the Partnership. The Partnership represents and warrants that (a) upon delivery, each Certificate or book-entry will evidence validly issued, fully paid and non-assessable limited partner interests and (b) any Depositary Receipts duly executed and delivered by the Depositary under this Agreement will evidence validly issued, fully paid and non-assessable Depositary Units. The Depositary shall not be liable to any Person for any expense or damage incurred as the result of any breach by the Partnership of these representations and warranties, which shall survive the deposit of Certificates and the delivery of Depositary Receipts.

ARTICLE III

DEPOSITARY RECEIPTS

3.1 Delivery of Depositary Receipts. Subject to the terms and conditions of this Agreement, upon the deposit of one or more Certificates (or in the case of uncertificated Depositary Units, evidence of a book-entry credit) by the General Partner pursuant to Section 2.1 hereof, the Depositary shall execute and deliver Depositary Receipts in accordance with the written instructions of the General Partner accompanying such deposit.

3.2 Book-Entry. Depositary Receipts may be issued in the form of uncertificated Depositary Receipts. Such uncertificated Depositary Receipts shall be credited to a book entry account maintained by the Registrar (as defined herein).

3.3 Effect of Acceptance of Depositary Receipt. By acceptance of delivery of a Depositary Receipt, the person to whom such Depositary Receipt is delivered or the transferee thereof shall be deemed to be bound by the terms and conditions of this Agreement and the Depositary Receipt as each may be amended from time to time.

3.4 Form of Depositary Receipt; Denominations; Execution.

(a) Depositary Receipts shall be engraved, printed or lithographed on steel-engraved borders and shall be substantially in the form of Exhibit A to this Agreement, with appropriate insertions, modifications and omissions as are required or permitted by this Agreement and shall be pre-numbered by the bank note company prior to delivery of the Depositary Receipts to the Depositary.

(b) Pending the preparation of definitive Depositary Receipts, the Depositary, upon the written order of the Partnership, delivered in compliance with Section 2.01, shall execute and deliver temporary Receipts which may be engraved, printed or lithographed on steel-engraved borders or otherwise substantially of the tenor of the definitive Depositary Receipts in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the persons executing such Depositary Receipts may determine, as evidenced by their execution of such Depositary Receipts. If temporary Depositary Receipts are issued, the Partnership and the Depositary will cause definitive Depositary Receipts to be prepared without unreasonable delay. After the preparation of definitive Depositary Receipts, the temporary Depositary Receipts shall be exchangeable for definitive Receipts upon surrender of the temporary Depositary Receipts at the Corporate Office (as defined herein) or such other offices, if any, as the Depositary may designate, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Depositary Receipts, the Depositary shall execute and deliver in exchange therefor definitive Receipts representing the same number of Depositary Shares as represented by the surrendered temporary Depositary Receipt(s). Such exchange shall be made at the Partnership's expense and without any charge therefor. Until so exchanged, the temporary Depositary Receipts shall in all respects be entitled to the same benefits under this Agreement, and with respect to the Depositary Units deposited, as definitive Depositary Receipts.

(c) Depositary Receipts shall be issuable in denominations of any number of Depositary Units, except that no Depositary Receipt shall represent a fraction of a Depositary Unit.

(d) Depositary Receipts may be endorsed with, or have incorporated in the text thereof or be accompanied by such legends or recitals, attachments or changes, not inconsistent with the provisions of this Agreement and the Partnership Agreement, as may be required to comply with any applicable law or regulation or the rules and regulations of any securities exchange upon which the Depositary Units may be listed, or to conform with any usage with respect thereto, or to indicate any special limitation or restriction to which any particular Depositary Unit may be subject, or as may for any other reason be required.

(e) Each Depositary Receipt represented by a Certificate shall be duly executed on behalf of the Depositary by the manual or facsimile signature of a duly authorized person of the Depositary. No Depositary Receipt represented by a Certificate shall be entitled to any benefit under the Partnership Agreement or this Agreement or be valid for any purpose unless it has been executed with such a signature.

(f) Notwithstanding the foregoing or anything else herein, all or a portion of the Depositary Receipts may be held through The Depository Trust Company's ("DTC") book-entry settlement system. All Depositary Receipts accepted for book-entry settlement with DTC shall be represented by a single receipt (the "DTC Receipt"), which shall be deposited with DTC (or its custodian) evidencing all such Depositary Units and registered in the name of the nominee of DTC (initially Cede & Co.). The Depositary or such other entity as is agreed to by DTC may hold the DTC Receipt as custodian for DTC. Ownership of beneficial interests in the DTC Receipt shall be shown on, and the transfer of such ownership shall be effected through, records maintained by (i) DTC or its nominee for such DTC Receipt, or (ii) institutions that have accounts with DTC.

If issued, the DTC Receipt shall be exchangeable for definitive Depositary Receipts only if (i) DTC notifies the Partnership at any time that it is unwilling or unable to continue to make its book-entry settlement system available for the Depositary Receipts and a successor to DTC is not appointed by the Partnership within 90 days of the date the Partnership is so informed in writing, (ii) DTC notifies the Partnership at any time that it has ceased to be a clearing agency registered under applicable law and a successor to DTC is not appointed by the Partnership within 90 days of the date the Partnership is so informed in writing or (iii) the Partnership executes and delivers to DTC a notice to the effect that such DTC Receipt shall be so exchangeable. If the beneficial owners of interests in Depositary Units are entitled to exchange such interests for definitive Depositary Receipts as the result of an event described in the preceding sentence, then without unnecessary delay but in any event not later than the earliest date on which such beneficial interests may be so exchanged, the Depositary is hereby directed to and shall provide written instructions to DTC to deliver to the Depositary for cancellation the DTC Receipt, and the Partnership shall instruct the Depositary in writing to execute and deliver to the beneficial owners of the Depositary Units previously evidenced by the DTC Receipt definitive Depositary Receipts in physical form evidencing such Depositary Units. The DTC Receipt shall be in such form and shall bear such legend or legends as may be appropriate or required by DTC in order for it to accept the Depositary Units for its book-entry settlement system. Notwithstanding any other provision herein to the contrary, if the Depositary Receipts are at any time eligible for book-entry settlement through DTC, delivery of Units and other property in connection with the withdrawal of Depositary Units will be made through DTC and in accordance with its procedures, unless the holder of the relevant Depositary Receipt otherwise requests and such request is reasonably acceptable to the Depositary and the Partnership.

3.5 Numbering and Registration of the Depositary Receipts. All Depositary Receipts executed by the Depositary shall be issued in numerical order. The Record Holder of each number of Depositary Receipt shall be registered on the books of the Depositary and the Transfer Agent.

3.6 Combination and Split-Ups of Depositary Receipts. Upon surrender by the Record Holder, in person or by duly authorized attorney, of one or more Depositary Receipts at the Depositary's corporate office located at 480 Washington Boulevard, 29th Floor, Jersey City, NJ 07310 (the "Corporate Office"), or any other office it may designate for such purpose, for split-up or combination, the Depositary shall, subject to the terms and conditions of this Agreement and the Partnership Agreement, execute and deliver one or more new Depositary Receipts in authorized denominations as requested, evidencing the same number of Depositary Units as evidenced by the Depositary Receipts surrendered.

3.7 Lost or Mutilated Depositary Receipts. If any Depositary Receipt is mutilated, destroyed, lost or stolen, the Depositary shall execute and deliver a Depositary Receipt of like form in substitution for the mutilated, destroyed, lost or stolen Depositary Receipt; provided, that the Depositary may require the Record Holder (a) to surrender any mutilated Depositary Receipt, (b) to file with the Depositary in a form and manner satisfactory to it, proof of the destruction, loss or theft, and of such Record Holder's ownership, of the Depositary Receipt and (c) to furnish the Depositary with an open penalty surety bond for the benefit of the Depositary and the Partnership, satisfactory to the Depositary. The Depositary may charge holders an administrative fee for processing payment with respect to lost Depositary Receipts, which shall be charged only once in instances where a single surety bond obtained covers multiple Depositary Receipts in a single account.

3.8 Limitations on Exchange and Delivery, Transfer, Surrender and Exchange of Depositary Receipts. As a condition precedent to the execution and delivery, transfer, split-up, combination, surrender, or conversion or exchange of any Depositary Receipt, the Depositary may require (a) payment of a sum sufficient for reimbursement of any tax or governmental charge with respect thereto (including any such tax or charge with respect to Depositary Units being deposited or withdrawn), (b) production of proof satisfactory to it as to the identity and genuineness of any signature or endorsement or as to the due authorization of the action, (c) filing of such information and execution of such documents by the transferor and/or the transferee as may be required by the Partnership Agreement or otherwise be deemed necessary or appropriate by the Depositary and (d) compliance with such other conditions as may be imposed under applicable laws and regulations. The Depositary shall be entitled to rely upon, and shall not have any liability to the Partnership, the General Partner, any Record Holder or any other Person with respect to the content of any proof submitted to it pursuant to this Section 3.8, and shall have no obligation to inquire as to the truth and accuracy thereof.

3.9 Cancellation and Return of Surrendered Depositary Receipts. All Depositary Receipts surrendered to the Depositary shall be cancelled and disposed of in accordance with the regulatory obligations of the Depositary. The Depositary shall, in instances in which Depositary Units have been converted to limited partner interests pursuant to Article V hereof, return to the Partnership the corresponding Certificate, and shall retain other instruments, documents and records in accordance with the policies and regulations of the Depositary, federal securities laws and rules and regulations of any securities exchange upon which Depositary Receipts may be listed, and from time to time may deliver such instruments, documents and records in the form retained to the Partnership.

3.10 Supply of Depositary Receipts. The Partnership shall deliver to the Depositary from time to time such quantities of forms of Depositary Receipts as the Depositary may request to enable the Depositary to perform its obligations under this Agreement.

3.11 Filing Proofs, Certificates and Other Information. Any Record Holder or transferee thereof may be required from time to time to file such information, to execute such certificates and to make such representations and warranties as the Depositary or the General Partner may reasonably deem necessary or proper. The Depositary may withhold the delivery, transfer or exchange of any Depositary Receipt (or any distribution in respect thereof) until such information is filed or such certificates are executed or such representations or warranties are made.

3.12 Transfer, etc. The execution and delivery of Depositary Receipts may be suspended, or the transfer, split-up, combination, surrender, conversion, exchange or delivery of outstanding Depositary Receipts may be suspended during any period when the register of Record Holders is closed or at any time and from time to time because of any provision of the Partnership Agreement or this Agreement or any requirement of law, any governmental body or commission or any securities exchange upon which the Depositary Units underlying the Depositary Receipts may be listed, or when suspension is otherwise deemed necessary or advisable by the Partnership, the General Partner or the Depositary.

3.13 Registrar and Transfer Agent. Unless or until prohibited by law, regulation or securities exchange rule, the Depositary shall also be the Registrar and Transfer Agent for Depositary Receipts so long as it continues to be the depositary for the Partnership pursuant to this Agreement it being acknowledged by the parties hereto that the Registrar and Transfer Agent shall be entitled to terminate this Agreement and withdraw as Registrar, Transfer Agent or Depositary pursuant to Section 10.1 hereof.

ARTICLE IV

TRANSFER OF UNITS

4.1 Transferability. Subject to the terms and conditions of this Agreement and the Partnership Agreement, title to a Depositary Unit(s) may only be transferred upon surrender of the Depositary Receipt evidencing such Depositary Unit(s) by the holder thereof, in person or by duly authorized attorney, to the Depositary at the Corporate Office or at any other office the Depositary may designate for the purpose, properly endorsed and properly signature guaranteed or accompanied by an instrument of transfer executed by the transferor. Upon surrender of a Depositary Receipt for registration or transfer, and subject to the provisions of the Partnership Agreement, the appropriate officers of the General Partner on behalf of the Partnership shall execute and deliver, and the Depositary shall countersign and deliver, in the name of the holder or the designated transferee or transferees, as required pursuant to the holder's instructions, one or more new Depositary Receipts evidencing the same aggregate number and type of Depositary Units as was evidenced by the Depositary Receipts so surrendered. Until any such transfer is so recorded and recognized the Depositary shall treat the transferor of such Depositary Units as the Record Holder thereof notwithstanding any notice to the contrary or notwithstanding any notation or other writing on the Depositary Receipt evidencing such Depositary Units.

4.2 Issuance of New Depositary Receipts. At the option of the transferee, the Depositary shall, upon satisfaction of the provisions of Section 4.1. hereof, execute and deliver to the transferee one or more new Depositary Receipts representing, in the aggregate, the number of Depositary Units as to which such transferee has been recorded on the books of the Depositary as the Record Holder.

4.3 Transfers of Depositary Units Held in Book-Entry Form. Anything contained herein to the contrary notwithstanding, Depositary Units held in book-entry form shall be transferred through DTC's book-entry settlement system as set forth in Section 3.4(f) hereof.

ARTICLE V

WITHDRAWAL AND REDEPOSIT OF UNITS

5.1 Surrender of Depositary Receipts. Any Record Holder who is a Limited Partner of the Partnership desiring to surrender his Depositary Receipts and withdraw his Depositary Units from deposit may do so by delivering to the Depositary at the Corporate Offices or such other office as the Depositary may designate, his Depositary Receipts, in person or by duly authorized attorney, properly endorsed in blank or accompanied by a properly executed instrument of transfer (which may be in blank form). Such delivery shall be accompanied by written instructions which set forth an intention by the Record Holder to surrender his Depositary Receipts and withdraw his Depositary Units from deposit, together with such other instruments or documents as the General Partner or the Depositary may deem necessary or desirable. The Depositary shall deliver a copy of such instructions to the Partnership at the Partnership's sole cost and expense.

5.2 Issuance of Certificates of Limited Partner Interests. Upon receipt of those instructions from the Depositary as set forth in Section 5.1, the Partnership shall cause a Certificate evidencing the limited partner interests corresponding to the surrendered Depositary Receipts to be delivered to the Record Holder as promptly as possible following the surrender of the Depositary Receipts. The Partnership will promptly notify the Depositary to cancel the Depositary Receipts, to deliver to the Partnership the Certificate held by the Depositary corresponding to the Depositary Receipts to be cancelled and to adjust its records accordingly.

5.3 Representations and Warranties by Record Holder. Each Record Holder surrendering one or more Depositary Receipts under Section 5.1 shall be deemed thereby to represent and warrant that (a) he or it is a Limited Partner of the Partnership, (b) he or it is, or is duly authorized to be, acting for a Record Holder and (c) to the best of such Record Holder's knowledge, each Depositary Unit evidenced by such Depositary Receipt is validly issued. The Depositary shall not be liable to the Partnership, any Record Holder or any other Person for any expense or damage incurred as a result of any breach by such Record Holder of the foregoing representations and warranties, which shall survive the surrender of Depositary Receipts.

5.4 Redeposit.

(a) Units withdrawn from deposit may be redeposited by a Record Holder (a “Depositor”) by depositing with the Depository the Certificate evidencing such Units. Redeposit of Units that have been withdrawn shall be subject to receipt by the Depository of 60 days’ advance written notice and a check, made payable to the Depository, in the amount of five (5) dollars for each one hundred (100) Units so redeposited and to such other conditions as may be prescribed in the Partnership Agreement. Any amounts so received by the Depository shall be applied by the Depository to amounts owed by the Partnership to the Depository. In the event that such notice is not accompanied by such payment, the Depository shall nevertheless perform in accordance with the instructions contained in the notice. The Depository shall promptly notify the Partnership of any redeposit of Units.

(b) Upon each delivery to the Depository of Certificate(s) to be redeposited, the Depository shall, as soon as transfer and recordation can be accomplished, present such Certificate(s) to the Partnership for transfer and recordation of the Units being deposited in the name of the Depository.

(c) Upon receipt of Certificate(s) from the Partnership in the name of the Depositor, the Depository shall issue and deliver at its Corporate Office to or upon the order of the Person(s) designated by the Depositor, a Depository Receipt or Receipts registered in the name or names and representing the number of Depository Units requested.

ARTICLE VI

DUTIES OF DEPOSITARY

6.1 Reports.

(a) The Depository shall make available for inspection by Record Holders at the Corporate Office and at such other office or offices as it may designate, during normal business hours, and shall, as required, furnish to the Securities and Exchange Commission (the “Commission”) any report, financial statement or communication received from the Partnership or the Managing General Partner that is both (i) received by the Depository as the depository of Certificates and (ii) made generally available to Record Holders.

(b) The Depository shall keep all records required to be kept, for the periods specified, and shall file with the Commission all materials required so to be filed, under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, by virtue of its agreement to act as Depository and as Transfer Agent under this Agreement. A copy of any material filed by the Depository with the Commission shall be mailed to the Partnership and the General Partner within two business days after its filing. To the extent that any such filing requires information from the Partnership or the General Partner, such information shall be furnished to the Depository by the Partnership or the General Partner in sufficient quantity and a sufficient time in advance of the date the filing is required to be made to enable the Depository to comply with such requirements.

6.2 Lists of Record Holders. Upon the written request of the Partnership, the Depository shall as promptly as practicable furnish to the Partnership a list, as of the date specified in such request, of the names, addresses and social security or taxpayer identification numbers of all Record Holders.

6.3 Maintenance of Offices and Transfer Books by Depository.

(a) The Depository shall maintain at its Corporate Office, and at such office or offices as it may designate, facilities for the execution, transfer, split-up, combination, surrender, conversion, exchange and delivery of Depository Receipts.

(b) The Depository shall keep books at its Corporate Office for the transfer of Depository Receipts. The books shall be open during normal business hours for inspection by the Record Holders upon demonstration of a valid business purpose for such inspection.

(c) The Depository may close the transfer books, at any time or from time to time, when deemed expedient by it in connection with the performance of its duties under this Agreement.

(d) The Depository may maintain such books in customary electronic form.

ARTICLE VII

INFORMATION AND DISTRIBUTION

7.1 Duty to Furnish and Transmit Certain Information. The Partnership is required by the Partnership Agreement to furnish to Record Holders certain reports and notices. To facilitate the furnishing of such reports and notices, the Depository shall, at the General Partner's request, furnish to the Partnership, as promptly as practicable, the name and address of each Person who was a Record Holder on any record date previously established by the General Partner. The Partnership may, in its sole discretion, elect to furnish any or all reports or notices pursuant to the Partnership Agreement to the Depository and direct the Depository to distribute to Record Holders any or all of such reports or notices. If the Partnership shall elect to direct the Depository to furnish any report or notice, the Partnership shall furnish to the Depository a sufficient quantity of each such report or notice for transmittal to Record Holders, accompanied by directions to the Depository as to the Persons to whom such reports or notices are to be transmitted. Upon receipt of any such report or notice and directions, the Depository shall, within five business days and at the Partnership's expense, mail such report or notice to the Persons specified in such directions. The Depository shall be entitled to rely upon, and shall not have any liability to the Partnership, any Record Holder or any other Person for distribution of such reports or notices in accordance with such directions, and the Depository shall not have any liability to the Partnership, any Record Holder or any other Person with respect to the content (including the truth, accuracy, completeness or fairness thereof, or the conformity thereof to the requirements of the Partnership Agreement or applicable law) of any such report.

7.2 Distributions. As provided in the Partnership Agreement, the Partnership may from time to time make distributions to Record Holders. To facilitate the making of any distributions, the Depository shall, at the General Partner's request, furnish to the Partnership, as promptly as practicable, (i) the name and address of each Person who was a Record Holder on any record date previously established by the General Partner and (ii) the number of Depository Units (or Units in the case of Record Holders who have surrendered their Depository Receipts) registered in the name of such Record Holder on any such record date. The Partnership may, in its sole discretion, elect to make any such distribution directly or elect to direct the Depository to make any such distribution to Record Holders. If the Partnership shall elect to direct the Depository to make such cash distribution, then at least ten business days before the distribution is to be made, the Partnership shall furnish to the Depository directions as to the Persons to whom such distributions are to be made, the amount to be distributed to each Person, the rate of distribution, and the date on or prior to which such distribution is to be made.

(a) In the event of a cash distribution, along with such directions, the Partnership shall provide the Depository with sufficient funds as necessary to make such distributions. In connection therewith, a separate disbursement account for cash distributions shall be set up, and the Depository shall be the sole signatory thereof. The Depository shall, not later than the date specified in the Partnership's directions, deliver to the Record Holders funds in conformity with such directions and at the expense of the Partnership.

(b) In the event of a distribution other than cash, along with such directions, the Partnership shall provide the Depository with sufficient securities, rights, preferences, privileges or property, as applicable, as necessary to make such distributions. The Depository shall, not later than the date specified in the Partnership's directions, deliver to the Record Holders securities, rights, preferences, privileges or property, as applicable, as applicable in conformity with such directions and at the expense of the Partnership.

(c) Notwithstanding the foregoing, the amounts to be so distributed may be reduced by any amount required to be withheld by the Partnership or the Depository on account of taxes or other charges which are the expense of the Record Holders. The Depository shall be entitled to rely upon, and shall not have any liability to the

Partnership, any Record Holder or any other Person for making any distribution or withholding any such amounts in accordance with such directions.

(d) All funds received by Computershare under this Agreement that are to be distributed or applied by Computershare in the performance of Services (the “Funds”) shall be held by Computershare as agent for the Company and deposited in one or more bank accounts to be maintained by Computershare in its name as agent for the Company. Until paid pursuant to this Agreement, Computershare may hold or invest the Funds through such accounts in: (i) obligations of, or guaranteed by, the United States of America, (ii) commercial paper obligations rated A-1 or P-1 or better by Standard & Poor's Corporation (“S&P”) or Moody's Investors Service, Inc. (“Moody's”), respectively, (iii) money market funds that comply with Rule 2a-7 of the Investment Company Act of 1940, or (iv) demand deposit accounts, short term certificates of deposit, bank repurchase agreements or bankers' acceptances, of commercial banks with Tier 1 capital exceeding \$1 billion or with an average rating above investment grade by S&P (LT Local Issuer Credit Rating), Moody's (Long Term Rating) and Fitch Ratings, Inc. (LT Issuer Default Rating) (each as reported by Bloomberg Finance L.P.). Computershare shall have no responsibility or liability for any diminution of the Funds that may result from any deposit or investment made by Computershare in accordance with this paragraph, including any losses resulting from a default by any bank, financial institution or other third party. Computershare may from time to time receive interest, dividends or other earnings in connection with such deposits or investments. Computershare shall not be obligated to pay such interest, dividends or earnings to the Company, any holder or any other party.

7.3 Voting. Upon receipt from the Partnership of notice of any meeting at which Record Holders are entitled to vote or of which they are entitled to notice, the Depository shall, at the request of the Partnership, mail to each Record Holder, as of the Record Date specified in the notice of meeting, a copy of the notice. At least ten business days before the notice is to be mailed the Partnership shall furnish sufficient copies of said statement to accomplish the foregoing notice. Whether or not a Record Holder is entitled to vote on any matter concerning the Partnership shall be governed by the terms of the Partnership Agreement and applicable law.

ARTICLE VIII

STATUS AND OTHER ACTIVITIES OF DEPOSITARY; IMMUNITIES, INDEMNIFICATION

8.1 Depository Not a Trustee, Issuer, etc. The Depository is not a trustee. The Depository shall have no right or legal or equitable title to Certificates deposited under this Agreement or the Units evidenced thereby. The Depository shall have no right or power to sell, invest in, pledge, mortgage or borrow against any Certificates deposited under this Agreement or the Units evidenced thereby. It is intended that the Depository in its capacity as depository not be needed to be an “issuer” or “underwriter” of securities under the Federal securities laws or applicable state securities laws, it being expressly understood and agreed that the Depository is acting only as a ministerial depository for Certificates and the Units evidenced thereby.

8.2 Other Activities of Depository. The Depository may own and deal in, and act as registrar or transfer agent for, any class of securities of the Partnership (including Certificates, Depository Receipts, Units and Depository Units), the General Partner or Affiliates of the General Partner.

8.3 Immunities. Neither the Depository, the General Partner or any Affiliates of the General Partner (i) assumes any obligation or shall be subject to any liability under this Agreement to any Record Holder or their transferees, other than that each of them agrees to use its best judgment and good faith in the performance of such duties as are specifically set forth in this Agreement; (ii) shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of Certificates (or the Units evidenced thereby) or Depository Receipts (or the Depository Units evidenced thereby) that in its opinion may involve it in expense or liability unless indemnity, in addition to that provided by Section 8.4, satisfactory to it against all expense and liability be furnished as often as may be required; or (iii) shall be liable for any action or nonaction by it in reliance upon the oral or written instructions of the Partnership or its authorized representatives, advice of or information from legal counsel, accountants, any person presenting Units for deposit, any Record Holder or their assignees, or any other Person believed by it in good faith to be competent to give such advice or information. The Depository, the General Partner and any Affiliates of the General Partner each may rely and shall be protected in acting upon any written notice,

request, direction or other document believed by it to be genuine and to have been signed or presented by the proper Person or Persons.

8.4 Indemnification.

(a) The Depository shall indemnify and hold harmless the Partnership, the General Partner and the officers, directors and employees of the General Partner from any loss, liability or damage incurred or suffered by any such Person, including attorneys' fees, due to the fraud, gross negligence or willful or criminal misconduct of the Depository. Notwithstanding anything contained herein to the contrary, the Depository's aggregate liability during any term of this Agreement with respect to, arising from, or arising in connection with this Agreement, or from all Services provided or omitted to be provided under this Agreement, whether in contract, or in tort, or otherwise, is limited to, and shall not exceed, the amounts paid hereunder by the Partnership to Depository as fees and charges, but not including reimbursable expenses during the twelve (12) months immediately preceding the event for which recovery from Depository is being sought.

(b) The Partnership and the General Partner hereby represent and warrant that they will indemnify and hold harmless the Depository, the Depository's directors, officers, employees, servants, agents or contractors, or their affiliates, or their heirs, successors or assigns (individually, the "Indemnitee") incurred by them or any one of them at any time after the date of this Agreement from and against any and all, but not limited to, losses, damages, claims, demands, actions, suits, proceedings, liabilities (joint and several), judgments, fines, penalties, awards, settlements, costs or expenses of any nature, including reasonable attorneys' fees brought against, incurred, suffered, or sustained by them, or any of them, for reasons arising by, through or as a result of any and all claims, demands, actions, suits or civil, criminal or administrative or investigative proceedings in which the Indemnitee may be involved or threatened to be involved, as a party of otherwise, by reason of (i) this Agreement, the Partnership Agreement or any agreements related thereto; (ii) the Indemnitee, acting pursuant to the terms of this Agreement, or (iii) the activities of the Partnership, General Partner or their affiliates, the Record Holders or Limited Partners; provided, however, that any such indemnification shall only be from the assets of the Partnership and the General Partner and not from the Record Holders or their assigns. Unless such claim, demand, action, suit or proceeding arises out of the willful, intentional or criminal misconduct, gross negligence or fraud of the Indemnitee, expenses incurred by an Indemnitee in defending any claim, demand, action, suit or proceeding will be paid by the Partnership or the General Partner within twenty (20) days of demand for payment by the Indemnitee and prior to the final disposition of such claim, demand, action, suit or proceeding. Notwithstanding the foregoing, no Indemnitee whose willful, intentional or criminal misconduct, gross negligence or fraud caused the loss, damages, claims, demands, actions, suits, proceedings, liabilities (joint and several), judgments, fines, penalties, awards, settlements, costs or expenses of any nature, including reasonable attorney's fees may receive such indemnification and any such Indemnitee who has received payment for expenses pursuant to the previous sentence shall be obligated to repay the amount of such payment to the Partnership or the General Partner, as the case may be, promptly after it has been determined that such Indemnitee was not entitled to be so indemnified; however, the termination of any action, suit or proceeding by judgment, order, settlement, or conviction upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption or otherwise constitute evidence that the Indemnitee's acts were willful, criminal or intentional misconduct, gross negligence, or fraud on its part. The representations and warranties contained herein shall survive the date and termination of this Agreement.

8.5 Tax Matters. The Depository shall not have any duty, obligation or liability with respect to (i) allocation and distribution of Federal tax benefits and responsibilities respecting the Partnership, the General Partner or the Record Holders or (ii) any income or other tax reporting obligations imposed upon the Partnership or any Record Holder to the Internal Revenue Service or any other Federal, state or local taxing authority.

8.6 Damages. Neither party to this Agreement shall be liable to the other party for any consequential, indirect, special or incidental damages under any provisions of this Agreement or for any consequential, indirect, punitive, special or incidental damages arising out of any act or failure to act hereunder even if that party has been advised of or has foreseen the possibility of such damages.

ARTICLE IX

EXPENSES AND CHARGES

9.1 General. The Depositary shall be reimbursed for its services by the Partnership in amounts equal to the amounts as shall be agreed upon by the Partnership and the Depositary from time to time.

9.2 Governmental Charges. If any tax or other governmental charge becomes payable with respect to a Certificate or a Depositary Receipt or Units or Depositary Unit evidenced thereby or with respect to the deposit, transfer or surrender of any of the foregoing, such tax (including transfer tax, if any) or governmental charge shall be payable by the appropriate Record Holder. Transfer of a Depositary Receipt or conversion of the underlying Depositary Units into Units may be refused until such payment is made, and any distribution may be withheld and be applied to payment of such tax or other governmental charge, with such Record Holder remaining liable for any deficiency.

ARTICLE X

RESIGNATION AND REMOVAL OF DEPOSITARY; AMENDMENT AND TERMINATION OF AGREEMENT

10.1 Resignation and Removal of Depositary; Appointment of Successor Depositary.

(a) The Depositary may at any time resign as Depositary under this Depositary Agreement upon sixty (60) days' written notice of its election to do so delivered to the Partnership, such resignation to take effect upon the appointment of a successor depositary and its acceptance of such appointment as hereinafter provided. The Depositary may terminate its obligations under this Agreement ten (10) days after a demand for payment of unpaid invoices is delivered in writing to the Partnership and the Partnership has not responded with payments as demanded.

(b) The Depositary may at any time be removed by the Partnership upon sixty (60) days' written notice of removal delivered by the Partnership to the Depositary. Such removal shall be effective upon the appointment of a successor depositary and its acceptance of such appointment as hereinafter provided.

(c) If the Depositary resigns or is removed, the Partnership shall, after the delivery of the notice of resignation or removal, as the case may be, appoint a successor depositary. If no successor has been appointed within seventy-five (75) days of the delivery of the notice of resignation or removal, the General Partner shall become the successor depositary. Any successor depositary shall execute and deliver to its predecessor and to the Partnership an instrument accepting its appointment, and thereupon such successor depositary, without any further act or deed, shall become fully vested with all the rights, powers, duties and obligations of its predecessor. The predecessor, upon payment of any sum due it and on the written request of the Partnership and at the Partnership's sole expense shall execute and deliver an instrument transferring to the successor depositary all rights and powers of the predecessor under this Agreement, shall duly deliver to and deposit with the successor depositary all Certificates theretofore on deposit with the predecessor and shall deliver to the successor depositary a list of the Record Holders of all outstanding Depositary Units and Units and all records and books maintained by it. Any successor depositary shall promptly mail notice of its appointment to the Record Holders.

(d) Any corporation into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document of any further act.

10.2 Amendment.

(a) Any provision of this Agreement, including the form of Depositary Receipt, may at any time and from time to time be amended in any respect by mutual agreement of the Partnership and the Depositary, so long as such amendment does not impair the right of a Record Holder who is a Limited Partner to surrender a Depositary Unit and withdraw from deposit any of the Depositary Units evidenced thereby or to redeposit Units previously withdrawn from deposit and receive a Depositary Receipt evidencing such redeposited Units.

(b) Any amendment of this Agreement that imposes any fee, tax or charge (other than fees and charges provided for in this Agreement) upon, or otherwise adversely affects the rights of, Record Holders shall not be effective until the expiration of 30 days after notice of the amendment has been given to the Record Holders.

(c) The Depository shall give notice of any amendment of this Agreement to each securities exchange upon which Depository Units may be listed and shall also give notice thereof in writing to all Record Holders. In the discretion of the Depository, the text or substance of any amendment may be incorporated in the Depository Receipts issued after its adoption.

(d) Every Record Holder at the time any amendment of this Agreement becomes effective shall be deemed, by continuing to hold a Depository Receipt evidencing Depository Units, to consent and agree to the amendment and to be bound by this Depository Agreement as amended thereby.

10.3 Termination.

(a) The Depository shall terminate this Agreement, whenever directed to do so by the Partnership, by mailing, at the Partnership's sole expense, notice of termination to the Record Holders at least 60 days before the date fixed for the termination in such notice.

(b) Upon termination of this Agreement, the Depository shall discontinue the transfer of Depository Units, shall suspend the distribution of reports, notices and disbursements to Record Holders, shall be discharged from all obligations under this Agreement, except for its obligations under Section 8.4 hereof, and shall not give any further notice (other than notice of such termination) or perform any further act under this Agreement except, if such termination is not in connection with the execution of a new Agreement with a new Depository, that the Depository shall, at the Partnership's sole expense, continue to accept Depository Receipts and written instructions for the surrender thereof pursuant to Section 5.1 hereof and shall return such instructions to the presenter thereof, along with notice as to the appropriate recipient, as indicated by the Partnership, to whom such instructions should be sent. Upon request of the Partnership, the Depository shall deliver all books, records, Certificates, Depository Receipts and other documents respecting the subject matter of this Agreement to the Partnership.

(c) Upon termination of this Agreement, the Partnership, the General Partner and the Record Holders shall be discharged from all obligations under this Agreement, except for the obligations of the Partnership and the Managing General Partner under Section 8.4 and Article IX hereof.

ARTICLE XI

MISCELLANEOUS

11.1 Counterparts. This Agreement may be executed in any number of counterparts, which shall constitute one and the same instrument. Copies of this Agreement shall be filed with the Depository and shall be open to inspection during normal business hours at the Depository's Corporate Office by any Record Holder.

11.2 Invalidity of Provisions. If any provision of this Agreement or of the Depository Receipts is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall not be affected thereby.

11.3 Notices. Any notice or communication by Agent or Company to the other pursuant to this Agreement is duly given if in writing and delivered in person or sent by overnight delivery service or first class mail, postage prepaid, to the other's address specified below:

To the Partnership:

Icahn Enterprises L.P.

767 Fifth Avenue, 47th floor
New York, New York 10153
Attn: General Counsel

To the Managing Partner:

Icahn Enterprises G.P. Inc.
767 Fifth Avenue, 47th floor
New York, New York 10153
Attn: General Counsel

To the Depository:

Computershare Inc.
480 Washington Blvd., 29th Floor
Jersey City, New Jersey 07310
Attn: Stephen R. Jones

(a) Any notice to be given to any Record Holder shall be deemed to have been duly given if personally delivered or sent by mail, addressed to such Record Holder at the address of such Record Holder as it appears on the books of the Depository or if such Record Holder has filed with the Depository a written request that notices intended for such Record Holder be mailed to some other address, at the address designated in such request.

(b) Any notice shall be deemed given, unless earlier received, (i) if sent by certified or registered mail, return receipt requested, or by first-class mail, five calendar days after being deposited in the United States mails, postage prepaid, (ii) if sent by United States Express Mail, two calendar days after being deposited in the United States mails, postage prepaid, or (iii) if delivered by hand, on the date of receipt.

11.4 Holders of Receipts are Parties . The holders of Receipts and their transferees from time to time shall be, and shall be deemed to be, parties to this Agreement and shall be bound by all the terms and conditions hereof and of the Depository Receipts by acceptance thereof.

11.5 Binding Effects . No party to this Agreement, other than a Record Holder, may sell, transfer or otherwise convey any of its rights, or delegate any of its duties, under this Agreement without the prior written consent of all other parties hereto except that the Depository may, in its discretion, delegate those ministerial duties which are so delegated in the normal course of its business; provided, however, that any merger, sale or reorganization of any party shall not constitute a sale, assignment, transfer, conveyance or delegation for this purpose. Any attempted sale, assignment, transfer, conveyance or delegation in violation of this Section 11.5 shall be void.

11.6 Pronouns and Plurals . Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

11.7 Governing Law . This Agreement and the Depository Receipts and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by and construed in accordance with the laws of the State of Delaware applicable to agreements made and to be performed in said State, without regard to conflicts of law principals thereof

11.8 Captions . The headings of articles and sections in this Agreement and in the form of Depository Receipt set forth in Exhibit A hereto have been inserted for convenience only and are not to be regarded as a part of this Agreement or of any Depository Receipt or to have any bearing upon the meaning or interpretation of any provisions contained herein or in the Depository Receipt.

11.9 Further Assurances . The Partnership shall perform, acknowledge and deliver or cause to be performed, acknowledged and delivered all such further and other acts, documents, instruments and assurances as

may be reasonably required by the Depositary for the carrying out or performing by the Depositary of the provisions of this Agreement.

11.10 Confidentiality. The Depositary and the Company agree that all books, records, information and data pertaining to the business of the other party, including inter alia, personal, non-public record holder information, which are exchanged or received pursuant to the negotiation or the carrying out of this Agreement including the fees for services set forth in the attached schedule shall remain confidential, and shall not be voluntarily disclosed to any other person, except as may be required by law, including, without limitation, pursuant to subpoenas from state or federal government authorities (e.g., in divorce and criminal actions).

11.11 Counterparts. A signature to this Agreement transmitted electronically shall have the same authority, effect, and enforceability as an original signature.

11.12 Force Majeure. Notwithstanding anything to the contrary contained herein, the Depositary will not be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, terrorist acts, shortage of supply, breakdowns or malfunctions, interruptions or malfunction of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties, war, or civil unrest.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Depositary Agreement as of the date first above written.

ICAHN ENTERPRISES, L.P.

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

By: /s/ Keith Cozza
Name: Keith Cozza
Title: President, Chief Executive Officer and Director

ICAHN ENTERPRISES G.P. INC.

By: /s/ Keith Cozza
Name: Keith Cozza
Title: President, Chief Executive Officer and Director

COMPUTERSHARE INC.

By: /s/ Dennis V. Moccia
Name: Dennis V. Moccia
Title: Manager, Contract Administration

EXHIBIT A



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, David Willetts, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Icahn Enterprises L.P. for the period ended June 30, 2023;
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 registrant as of, and for, the periods presented in this report;
4. The registrant's 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 registrant's 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 registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's 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 registrant's 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 registrant's internal control over financial reporting.

/s/ David Willetts

David Willetts

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

Date: August 4, 2023

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, Ted Papapostolou, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Icahn Enterprises L.P. for the period ended June 30, 2023;
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 registrant as of, and for, the periods presented in this report;
4. The registrant's 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 registrant's 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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's 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 registrant's 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 registrant's internal control over financial reporting.

/s/ Ted Papapostolou

Ted Papapostolou

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

Date: August 4, 2023

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 quarterly report on Form 10-Q of Icahn Enterprises L.P., for the period ended June 30, 2023, the undersigned certify that, to the best of his knowledge, based upon a review of the Icahn Enterprises L.P. quarterly report on Form 10-Q for the period ended August 4, 2023:

(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 registrant.

/s/ David Willetts

David Willetts

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

Date: August 4, 2023

/s/ Ted Papapostolou

Ted Papapostolou

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

Date: August 4, 2023
