Mulligan Richard
Form 4
June 14, 2018

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Mulligan Richard

(Last) (First) (Middle)

BIOGEN INC., 225 BINNEY STREET

(Street)

CAMBRIDGE, MA 02142

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
BIOGEN INC. [BIIB]

3. Date of Earliest Transaction (Month/Day/Year)
06/12/2018

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	06/12/2018		A		880	A	$ 0	10,909	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Mulligan Richard BIOGEN INC. 225 BINNEY STREET CAMBRIDGE, MA 02142	X			

Signatures

Suzanne Murray, Attorney in Fact for Richard C. Mulligan	06/14/2018
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. align: text-bottom; text-align: left" ROWSPAN=1> Cash and cash equivalents $2 $687 $25 $177 $117 $1,023 $2,031 Cash held at consolidated affiliated partnerships and restricted cash 4,157 7 5 15 4,184 Investments 4,293 225 2 11 14 4,545 Accounts receivable, net 1,058 35 8 69 1,170 Inventories, net 876 61 113 1,050 Property, plant and equipment, net 1,895 105 579 138 3 2,720 Goodwill and intangible assets, net 1,946 7 112 13 2,078 Other assets 220 344 55 12 41 29 701 Total assets $8,672 $7,031 $297 $893 $502 $1,084 $18,479 LIABILITIES AND EQUITY

Accounts payable, accrued expenses and other liabilities $1,271[1] $ 1,870 $44 $33 $64 $273 $3,555 Securities sold, not yet purchased 2,423 2,423 Due to brokers 267 267 Postemployment benefit liability 1,317 1,317 Debt 2,583 3 118 1,870 4,574 Total liabilities 3,961 5,770 47 151 64 2,143 12,136 Equity attributable to Icahn Enterprises 1,287 979 250 742 368 (1,083) 2,543 Equity attributable to non-controlling interests 3,424 282 70 24 3,800 Total equity 4,711 1,261 250 742 438 (1,059) 6,343 Total liabilities and equity $8,672 $7,031 $297 $893 $502 $1,084 $18,479

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Explanation of Responses:

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ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2009

17. Segment Reporting (continued)

	December 31, 2008						
	Investment Management	Automotive	Metals	Real Estate	Home Fashion	Holding Company	Consolidated Results
ASSETS							
Cash and cash equivalents	$5	$888	$52	$167	$131	$1,369	$2,612
Cash held at consolidated affiliated partnerships and restricted cash	3,862	40	7	2	1	35	3,947
Investments	4,261	221	4		13	16	4,515
Accounts receivable, net		939	52	7	59		1,057
Inventories, net		894	67		132		1,093
Property, plant and equipment, net		1,911	107	707	150	3	2,878
Goodwill and intangible assets, net		1,994	22		13		2,029
Other assets	236	335	37	13	33	30	684
Total assets	$8,364	$7,222	$348	$896	$532	$1,453	$18,815
LIABILITIES AND EQUITY							
Accounts payable, accrued expenses and other liabilities	$1,106	$2,068	$68	$30	$58	$284	$3,614
Securities sold, not yet purchased	2,273						2,273
Due to brokeres	713						713
Postemployment benefit liability		1,302					1,302
Debt		2,576	3	123		1,869	4,571
Total liabilities	4,092	5,946	71	153	58	2,153	12,473
Equity attributable to Icahn Enterprises	712	1,000	277	743	390	(724)	2,398
Equity attributable to non-controlling interests	3,560	276			84	24	3,944
Total equity	4,272	1,276	277	743	474	(700)	6,342
Total liabilities and equity	$8,364	$7,222	$348	$896	$532	$1,453	$18,815

(1) Amount includes $808 million in redemptions payable as of June 30, 2009.

18. Income Taxes

We recorded an income tax benefit of $10 million and $20 million on pre-tax income of $621 million and $738 million for the three and six months ended June 30, 2009, respectively. We recorded an income tax expense of $56 million and $76 million on pre-tax loss of $610 million and $631 million for the three and six months ended June 30, 2008, respectively. Our effective income tax rate was (1.6)% and (2.7)% for the three and six months ended June 30, 2009 compared to (9.2)% and (12.0)% for the three and six months ended June 30, 2008. The difference between the effective tax rate and the statutory federal rate of 35% is due principally to income or losses from partnership entities in which taxes are the responsibility of the partners, as well as changes in valuation allowances.

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ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2009

19. Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss consists of the following (in millions of dollars):

	June 30, 2009	December 31, 2008
Postemployment benefits, net of tax	$ (327)	$ (341)
Hedge instruments	(78)	(101)
Translation adjustments and other	(271)	(310)
	$ (676)	$ (752)

20. Commitments and Contingencies

Federal-Mogul

Environmental Matters

Federal-Mogul has been designated as a potentially responsible party (PRP) by the United States Environmental Protection Agency, other national environmental agencies and various provincial and state agencies with respect to certain sites with which Federal-Mogul may have had a direct or indirect involvement. PRP designation typically requires the funding of site investigations and subsequent remedial activities.

Many of the sites that are likely to be the costliest to remediate are often current or former commercial waste disposal facilities to which numerous companies sent wastes. Despite the joint and several liability that might be imposed on Federal-Mogul pertaining to these sites, Federal-Mogul s share of the total waste sent to these sites has generally been small. The other companies that sent wastes to these sites, often numbering in the hundreds or more, generally include large, solvent, publicly owned companies and in most such situations the government agencies and courts have imposed liability in some reasonable relationship to contribution of waste. Thus, Federal-Mogul believes its exposure for liability at these sites is limited.

Federal-Mogul has also identified certain other present and former properties at which it may be responsible for cleaning up or addressing environmental contamination, in some cases as a result of contractual commitments. Federal-Mogul is actively seeking to resolve these actual and potential statutory, regulatory and contractual obligations. Although difficult to quantify based on the complexity of the issues, Federal-Mogul has accrued amounts corresponding to its best estimate of the costs associated with such regulatory and contractual obligations on the basis of available information from site investigations and best professional judgment of consultants.

Federal-Mogul is a party to two lawsuits, one each in Ohio and Michigan relating to indemnification for costs arising from environmental releases from industrial operations of the predecessor company to Federal-Mogul prior to 1986. In the Ohio lawsuit brought by Federal-Mogul against a number of insurers, most of the insurer-defendants have been dismissed because of settlements that Federal-Mogul has reached with them. The case is proceeding against several non-settling insurers. In the insurer-initiated Michigan lawsuit, Federal-Mogul has settled with the insurer that initiated the action, and the case has been dismissed. The settlements with insurers reached by Federal-Mogul during the six months ended June 30, 2009 resulted in a net recovery to Federal-Mogul of $12 million. Federal-Mogul continues to engage in settlement discussions with several of the parties remaining in the Ohio case, although no assurances can be given regarding the outcome of such discussions.

Total environmental reserves were $24 million and $26 million at June 30, 2009 and December 31, 2008, respectively, and are included in accrued expenses and other liabilities in our consolidated balance sheet.

Federal-Mogul believes that recorded environmental liabilities will be adequate to cover its estimated liability for its exposure in respect to such matters. In the event that such liabilities were to significantly exceed the amounts recorded by Federal-Mogul, our Automotive segment s results of operations could be

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ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2009

20. Commitments and Contingencies (continued)

materially affected. At June 30, 2009, Federal-Mogul estimates reasonably possible material additional losses above and beyond its best estimate of required remediation costs as recorded approximate $46 million.

Conditional Asset Retirement Obligations

Federal-Mogul records conditional asset retirement obligations (CARO) in accordance FIN 47, *Accounting for Conditional Asset Retirement Obligations an interpretation of FASB Statement 143* (FIN 47), when the amount can be reasonably estimated, typically upon the expectation that an operating site may be closed or sold. Federal-Mogul has identified sites with contractual obligations and several sites that are closed or expected to be closed and sold in connection with Restructuring 2009. In connection with these sites, Federal-Mogul has accrued $28 million and $27 million as of June 30, 2009 and December 31, 2008, respectively, for CARO, primarily related to anticipated costs of removing hazardous building materials, and has considered impairment issues that may result from capitalization of CARO in accordance with SFAS No. 144.

Federal-Mogul has additional CARO, also primarily related to removal costs of hazardous materials in buildings, for which it believes reasonable cost estimates cannot be made at this time because Federal-Mogul does not believe it has a reasonable basis to assign probabilities to a range of potential settlement dates for these retirement obligations. Accordingly, Federal-Mogul is currently unable to determine amounts to accrue for CARO at such sites.

For those sites that Federal-Mogul identifies in the future for closure or sale, or for which it otherwise believes it has a reasonable basis to assign probabilities to a range of potential settlement dates, Federal-Mogul will review these sites for both CARO in accordance with FIN 47 and impairment issues in accordance with SFAS No. 144.

Other Matters

Federal-Mogul is involved in other legal actions and claims, directly and through its subsidiaries. We do not believe that the outcomes of these other actions or claims are likely to have a material adverse effect on the operating results or cash flows of our Automotive segment. However, we cannot predict the outcome of these proceedings or the ultimate impact on our investment in Federal-Mogul and its subsidiaries.

WPI Litigation

We are defendants in two lawsuits, one in federal court in New York and one in the Delaware state court, challenging, among other matters, the status of our ownership interests in the common and preferred stock of WPI.

We continue to vigorously defend against all claims asserted in the federal and Delaware proceedings and believe that we have valid defenses. However, we cannot predict the outcome of these proceedings or the ultimate impact on our investment in WPI and its subsidiaries or the business prospects of WPI and its subsidiaries.

If we were to lose control of WPI, it could adversely affect the business and prospects of WPI and the value of our investment in it. In addition, we consolidated the balance sheet of WPI as of June 30, 2009 and WPI s results of operations for the period from the date of acquisition (August 8, 2005) through June 30, 2009. If we were to own less than 50% of the outstanding common stock or the challenge to our preferred stock ownership is successful, we would have to evaluate whether we should consolidate WPI and, if so, our consolidated financial statements could be materially different from those presented for all periods presented.

National Energy Group, Inc.

National Energy Group, Inc. (NEGI) is a defendant, together with Icahn Enterprises and various individuals, including one of our current directors, as additional defendants, in a purported stockholder derivative and class action lawsuit alleging that among other things, certain of NEGI s current and former officers and directors breached their fiduciary duties to NEGI and its stockholders in connection with NEGI s sale of

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ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2009

20. Commitments and Contingencies (continued)

its 50% interest in an oil and gas holding company. Following such disposition, NEGI has had no business and its principal assets consist of cash and short-term investments which currently aggregate approximately $48 million. In March, 2008, NEGI dissolved and filed a Form 15 with the SEC deregistering its securities with the SEC under the Exchange Act. As a result, NEGI s status as a public company has been suspended. No cash distributions will be made to NEGI s shareholders until the NEGI board determines that NEGI has paid, or made adequate provision for the payment of, its liabilities and obligations, including any liabilities relating to the lawsuit.

NEGI believes it has meritorious defenses to all claims and will vigorously defend the action; however, we cannot predict the outcome of the litigation on us or on our interest in NEGI.

PSC Metals

Environmental Matters

PSC Metals has been designated as a PRP by U.S. federal and state superfund laws with respect to certain sites with which PSC Metals may have had a direct or indirect involvement. It is alleged that PSC Metals and its subsidiaries or their predecessors transported waste to the sites, disposed of waste at the sites or operated the sites in question. PSC Metals has reviewed the nature and extent of the allegations, the number, connection and financial ability of other named and unnamed PRPs and the nature and estimated cost of the likely remedy. Based on reviewing the nature and extent of the allegations, PSC Metals has estimated its liability to remediate these sites to be immaterial at each of June 30, 2009 and December 31, 2008. If it is determined that PSC has liability to remediate those sites and that more expensive remediation approaches are required in the future, PSC Metals could incur additional obligations, which could be material.

Certain of PSC Metals facilities are environmentally impaired in part as a result of operating practices at the sites prior to their acquisition by PSC Metals and as a result of PSC Metals operations. PSC Metals has established procedures to periodically evaluate these sites, giving consideration to the nature and extent of the contamination. PSC Metals has provided for the remediation of these sites based upon management s judgment and prior experience. PSC Metals has estimated the liability to remediate these sites to be $24 million at each of June 30, 2009 and December 31, 2008. Management believes, based on past experience, that the vast majority of these environmental liabilities and costs will be assessed and paid over an extended period of time. PSC Metals believes that it will be able to fund such costs in the ordinary course of business.

Estimates of PSC Metals liability for remediation of a particular site and the method and ultimate cost of remediation require a number of assumptions that are inherently difficult to make, and the ultimate outcome may be materially different from current estimates. Moreover, because PSC Metals has disposed of waste materials at numerous third-party disposal facilities, it is possible that PSC Metals will be identified as a PRP at additional sites. The impact of such future events cannot be estimated at the current time.

21. Subsequent Events

Investment Management

On July 1, 2009, a wholly-owned affiliate of Mr. Icahn invested $300 million into the Private Funds.

Declaration of Distribution on Depositary Units

On July 31, 2009, the Board of Directors approved a payment of a quarterly cash distribution of $0.25 per unit on our depositary units payable in the third quarter of fiscal 2009. The distribution will be paid on August 31, 2009, to depositary unitholders of record at the close of business on August 20, 2009. Under the terms of the indenture dated April 5, 2007 governing our variable rate notes due 2013, we will also be making a $0.15 distribution to holders of these notes in accordance with the formula set forth in the indenture.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Partners of
Icahn Enterprises L.P.

We have reviewed the accompanying consolidated balance sheet of Icahn Enterprises L.P. and Subsidiaries (the Partnership) (a Delaware limited partnership) as of June 30, 2009, the related consolidated statements of operations for the three-month and six-month periods ended June 30, 2009 and 2008, the consolidated cash flows for the six-month periods ended June 30, 2009 and 2008, and the consolidated statement of changes in equity and comprehensive income for the six-month period ended June 30, 2009. These consolidated interim financial statements are the responsibility of the Partnership s management.

We were furnished with the report of other accountants on their reviews of the consolidated interim financial statements of Federal-Mogul Corporation, a subsidiary, whose total assets as of June 30, 2009 was $7.0 billion, and whose revenues for the three-month and six-month periods ended June 30, 2009 constituted $1.3 billion and $2.6 billion, respectively, and revenues for the three-month period ended June 30, 2008 and for the period from February 29, 2008 (date of consolidation) through June 30, 2008, constituted $2.0 billion and $2.7 billion, respectively, of the related consolidated totals.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews and the report of other accountants, we are not aware of any material modifications that should be made to the accompanying consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of the Partnership as of December 31, 2008, and the related consolidated statements of operations, changes in equity and comprehensive income, and cash flows for the year then ended (not presented herein); and in our report dated March 4, 2009 (except for Note 1 related to the effect of the adoption of SFAS No. 160 and the reformatted consolidated financial statements, as to which the date is August 4, 2009), we expressed an unqualified opinion on those consolidated financial statements. Our report made reference to the report of other auditors as it relates to amounts included for Federal-Mogul Corporation, a subsidiary, and contained explanatory paragraphs relating to the retrospective application of SFAS No. 160 effective January 1, 2009, reformatted consolidated financial statements, and the change in method of accounting for its investments with the adoption of SFAS No. 157 and SFAS No. 159 in 2007.

In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2008, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ GRANT THORNTON LLP

New York, New York
August 5, 2009

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Federal-Mogul Corporation

We have reviewed the consolidated balance sheet of Federal-Mogul Corporation and subsidiaries as of June 30, 2009, and the related consolidated statements of operations and cash flows for the three and six month periods ended June 30, 2009 and 2008, included in its Form 10-Q for the quarter ended June 30, 2009 (not presented herein). These financial statements are the responsibility of the Company s management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Federal-Mogul Corporation and subsidiaries as of December 31, 2008, and the related consolidated statements of operations, shareholders equity (deficit), and cash flows for the year ended December 31, 2008 (not presented herein) and in our report dated February 24, 2009, we expressed an unqualified opinion on those consolidated financial statements and included an explanatory paragraph for the application of AICPA Statement of Position 90-7, *Financial Reporting by Entities under the Bankruptcy Code* and a change in method of accounting for pensions and other postretirement plans in 2006 and tax uncertainties in 2007. As described in Note 1 to the unaudited consolidated interim financial statements of Federal-Mogul Corporation included in its Form 10-Q for the quarter ended June 30, 2009, on January 1, 2009, Federal-Mogul Corporation and subsidiaries changed its method of accounting for noncontrolling interests on a retrospective basis resulting in revision of the December 31, 2008 consolidated balance sheet. We have not audited and reported on the revised balance sheet reflecting the change in the method of accounting for noncontrolling interests.

/s/ Ernst & Young LLP

Detroit, Michigan
July 30, 2009

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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 Consolidated Financial Statements and the accompanying notes.

Overview

Introduction

Icahn Enterprises L.P., or Icahn Enterprises, is a master limited partnership formed in Delaware on February 17, 1987. We own a 99% limited partner interest in Icahn Enterprises Holdings L.P., or 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., or Icahn Enterprises GP, our sole general partner, which is owned and controlled by Mr. Carl C. Icahn, owns a 1% general partner interest in both us and Icahn Enterprises Holdings, representing an aggregate 1.99% general partner interest in us and Icahn Enterprises Holdings. As of June 30, 2009, affiliates of Mr. Icahn owned 68,760,427 of our depositary units and 11,360,173 of our preferred units, which represented approximately 92.0% and 86.5% of our outstanding depositary units and preferred units, respectively.

We are a diversified holding company owning subsidiaries engaged in the following operating businesses: Investment Management, Automotive, Metals, Real Estate and Home Fashion. In addition to our operating businesses, we discuss the Holding Company, which includes the unconsolidated results of Icahn Enterprises and Icahn Enterprises Holdings, and investment activity and expenses associated with the activities of the Holding Company.

In accordance with United States generally accepted accounting principles, or U.S. GAAP, assets transferred between entities under common control are accounted for at historical cost similar to a pooling of interests, and the financial statements of previously separate companies for all periods under common control prior to the acquisition are restated on a consolidated basis.

Variations in the amount and timing of gains and losses on our investments can be significant. The results of our Real Estate and Home Fashion segments are seasonal while our Automotive segment is moderately seasonal.

Other Significant Events

Declaration of Distribution on Depositary Units

On July 31, 2009, the Board of Directors approved a payment of a quarterly cash distribution of $0.25 per unit on our depositary units payable in the third quarter of fiscal 2009. The distribution will be paid on August 31, 2009, to depositary unitholders of record at the close of business on August 20, 2009. Under the terms of the indenture dated April 5, 2007 governing our variable rate notes due 2013, we will also be making a $0.15 distribution to holders of these notes in accordance with the formula set forth in the indenture.

Results of Operations

Overview

The key factors affecting our financial results for the three months ended June 30, 2009, or the second quarter of fiscal 2009, and the six months ended June 30, 2009 are as follows:

Income from continuing operations attributable to Icahn Enterprises for our Investment Management segment of $172 million and $321 million in the second quarter and first six months of fiscal 2009, respectively, due to the positive performance of the Private Funds;
Additional investment of $250 million in the Private Funds in the first six months of fiscal 2009, bringing our cumulative investment in the Private Funds to $1.2 billion;
Income from continuing operations attributable to Icahn Enterprises for our Automotive segment of $4 million and loss from continuing operations attributable to Icahn Enterprises for our Automotive segment of $70 million for the second quarter and first six months of fiscal 2009, respectively. Restructuring expenses before non-controlling interests were $40 million for the first six months of fiscal 2009;
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Loss from continuing operations attributable to Icahn Enterprises for our Metals segment of $4 million and $27 million for the second quarter and first six months of fiscal 2009, respectively, including pretax impairment charges of $13 million and charges to write-down inventory to current market prices of $7 million for the first six months of fiscal 2009; and

Loss from continuing operations attributable to Icahn Enterprises for our Home Fashion segment of $10 million and $22 million for the second quarter and first six months of fiscal 2009, respectively. Restructuring and impairment charges before non-controlling interests were $12 million for the first six months of fiscal 2009.

Consolidated Financial Results of Continuing Operations

The following tables summarize revenues and income (loss) attributable to Icahn Enterprises from continuing operations for each of our segments (in millions of dollars):

	Revenues[1]			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Investment Management	$ 719	$ (709)	$ 1,053	$ (695)
Automotive[1]	1,325	2,014	2,579	2,667
Metals	64	434	141	737
Real Estate	23	23	45	47
Home Fashion	87	97	172	212
Holding Company	5	6	(1)	27
Total	$ 2,223	$ 1,865	$ 3,989	$ 2,995

	Income (Loss) Attributable to Icahn Enterprises from Continuing Operations			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Investment Management	$ 172	$ (86)	$ 321	$ (89)
Automotive[2]	4	47	(70)	30
Metals	(4)	39	(27)	55
Real Estate	(4)		2	3
Home Fashion	(10)	(16)	(22)	(32)
Holding Company	(30)	(34)	(75)	(53)
Total	$ 128	$ (50)	$ 129	$ (86)

(1) Revenues include net sales, net gain (loss) from investment activities, interest, dividend income and other income, net.

(2) Automotive results for fiscal 2008 are for the period March 1, 2008 through June 30, 2008.

Investment Management

Overview

Icahn Onshore LP, or the Onshore GP, and Icahn Offshore LP, or the Offshore GP (and, together with the Onshore GP, being referred to herein as the General Partners) act as general partner of Icahn Partners LP, or the Onshore Fund, and the Offshore Master Funds (as defined below), respectively. Effective January 1, 2008, in addition to providing investment advisory services to the Private Funds, the General Partners provide or cause their affiliates to provide certain administrative and back office services to the Private Funds. The General Partners do not provide such services to any other entities, individuals or accounts. Interests in the Private Funds are offered only to certain sophisticated and accredited investors on the basis of exemptions from the registration requirements of the federal securities laws and are not publicly available. As referred to herein, the Offshore Master Funds consist of (i) Icahn Partners Master Fund LP, (ii) Icahn Partners Master Fund II L.P. and (iii) Icahn Partners Master Fund III L.P. The Onshore Fund and the Offshore Master Funds are collectively referred to herein as the Investment Funds.

The Offshore GP also acts as general partner of certain funds formed as a Cayman Islands exempted limited partnership that invests in the Offshore Master Funds. These funds, together with other funds that also

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invest in the Offshore Master Funds, constitute the Feeder Funds and, together with the Investment Funds, are referred to herein as the Private Funds.

The Private Funds had a positive return for the second quarter and first six months of fiscal 2009. We believe that the continuation of constrained credit markets will continue to impact price volatility and asset values. The Private Funds positive performance was primarily attributable to their long equity and long credit positions for the second quarter and first six months of fiscal 2009. We expect that the remainder of fiscal 2009 will continue to present opportunities for capitalizing on distressed investing.

Revenues

The Investment Management segment derives revenues from three sources: (1) special profits interest allocations; (2) incentive allocations and (3) gains and losses from our investments in the Private Funds.

Effective January 1, 2008, the limited partnership agreements of the Investment Funds provide that the applicable General Partner will receive a special profits interest allocation at the end of each calendar year from each capital account maintained in the Investment Funds that is attributable to: (i) in the case of the Onshore Fund, each fee-paying limited partner in the Onshore Fund and (ii) in the case of the Feeder Funds, each fee-paying investor in the Feeder Funds (that excludes certain investors that are affiliates of Mr. Icahn) (in each case, referred to herein as an Investor). Prior to June 30, 2009, this allocation was generally equal to 0.625% of the balance in each fee-paying capital account as of the beginning of each quarter (for each Investor, the Target Special Profits Interest Amount) except that amounts are allocated to the General Partners in respect of special profits interest allocations only to the extent that net increases (i.e., net profits) are allocated to an Investor for the fiscal year. Accordingly, any special profits interest allocations allocated to the General Partners in respect of an Investor in any year cannot exceed the net profits allocated to such Investor in such year. (See below for discussion of new fee structure effective July 1, 2009)

Incentive allocations are determined based on the aggregate amount of net profits earned by the Investment Funds (after the special profits interest allocation is made) with respect to fee-paying investments. Incentive allocations are based on the investment performance of the Private Funds, which is a principal determinant of the long-term success of the Investment Management segment because it generally enables AUM to increase through retention of fund profits and by making it more likely to attract new investment capital and minimize redemptions by Private Fund investors. Prior to June 30, 2009, incentive allocations were generally 25% of the net profits (both realized and unrealized) generated by fee-paying investors in the Investment Funds, and are subject to a high water mark (whereby the General Partners do not earn incentive allocations during a particular year even though the fund had a positive return in such year until losses in prior periods are recovered). These allocations are calculated and allocated to the capital accounts of the General Partners annually except for incentive allocations earned as a result of investor redemption events during interim periods, provided that, as discussed below, effective July 1, 2009, certain new options do not provide for incentive allocations at the end of each fiscal year. (See below for discussion of new fee structure effective July 1, 2009).

In June 2009, certain limited partnership agreements and offering memoranda of the Private Funds (the Fund Documents) were revised primarily to provide existing investors and new investors (Investors) with various new options for investments in the Private Funds effective July 1, 2009 (each an Option). Each Option has certain eligibility criteria for Investors and existing investors are permitted to roll over their investments made in the Private Funds prior to July 1, 2009 (Pre-Election Investments) into one or more of the new Options. For fee-paying investments, the special profits interest allocations will range from 1.5% to 2.25% per annum and the incentive allocations will range from 15% (in some cases subject to a preferred return) to 22% per annum. The new Options also have different withdrawal terms, with certain Options being permitted to withdraw capital every six months (subject to certain limitations on aggregate withdrawals) and other Options being subject to three-year rolling lock-up periods, provided that early withdrawals are permitted at certain times with the payment to the Private Funds of a fee. For those Options with rolling lock-ups, the General Partner will not be entitled to receive an incentive allocation for a period of two years or longer.

The economic and withdrawal terms of the Pre-Election Investments remain the same, which include a special profits interest allocation of 2.5% per annum, an incentive allocation of 25% per annum and a three-year lock-up period (or sooner, subject to the payment of an early withdrawal fee). Certain of the Options will preserve each Investor s existing high watermark with respect to its rolled over Pre-Election Investments and

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one of the Options establishes a hypothetical high watermark for new capital invested before December 31, 2010 by persons that were Investors prior to June 30, 2009. Effective with permitted withdrawals on December 31, 2009, if an Investor does not roll over a Pre-Election Investment into another Option when it is first eligible to do so without the payment of a withdrawal fee, it is the current intention of the Private Funds to require such Investor to withdraw such Pre-Election Investment.

The General Partners waived the special profits interest allocations and incentive allocations for Icahn Enterprises investments in the Private Funds and Mr. Icahn s direct and indirect holdings and may, in their sole discretion, modify or may elect to reduce or waive such fees with respect to any investor that is an affiliate, employee or relative of Mr. Icahn or his affiliates, or for any other investor.

All of the special profits interest allocations and incentive allocations are eliminated in consolidation; however, our share of the net income from the Private Funds includes the amount of these allocations.

Our Investment Management results are driven by the combination of the Private Funds asset under management, or AUM, and the investment performance of the Private Funds, except, as discussed above, that special profits interest allocations are only earned to the extent that there are sufficient net profits generated from the Private Funds to cover such allocations.

The General Partners and their affiliates also earn income (or are subject to losses) through their investments in the Investment Funds. We earn income (or are subject to losses) through our investment in the Investment Funds. In both cases the income or losses consist of realized and unrealized gains and losses on investment activities along with interest and dividend income.

AUM and Fund Performance

The table below reflects changes to AUM for the three and six months ended June 30, 2009 and 2008. The end-of-period balances represent total AUM, including any accrued special profits interest allocations and any incentive allocations and our own investments in the Private Funds, as well as investments of other affiliated parties who have not been charged special profits interest allocations or incentive allocations for the periods presented (in millions of dollars):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Balance, beginning of period	$ 4,902	$ 7,895	$ 4,368	$ 7,511
Net (outflows) in-flows	(762)	(167)	(550)	211
Appreciation (depreciation)	701	(719)	1,023	(713)
Balance, end of period	$ 4,841	$ 7,009	$ 4,841	$ 7,009
Fee-paying AUM	$ 2,282	$ 4,749	$ 2,282	$ 4,749

The net outflows for the three and six months ended June 30, 2009 include a redemption of $300 million by a wholly-owned affiliate of Mr. Icahn. On July 1, 2009, a separate wholly-owned affiliate of Mr. Icahn invested $300 million into the Private Funds.

The following table sets forth performance information for the Private Funds that were in existence for the comparative periods presented. These gross returns represent a weighted-average composite of the average gross returns, net of expenses for the Private Funds.

	Gross Return[1] for the Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Private Funds	14.2 %	-9.1 %	22.1 %	-8.9 %

(1) These returns are indicative of a typical investor who has been invested since inception of the Private Funds. The performance information is presented gross of any accrued special profits interest allocations and incentive allocations but net of expenses. Past performance is not necessarily indicative of future results.

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The Private Funds aggregate gross performance was 14.2% and 22.1% for the three and six months ended June 30, 2009, respectively. During the second quarter and the first six months of fiscal 2009, gains were primarily due to the Private Funds long exposure to credit markets, including fixed income, bank debt and derivative instruments, as well as an increase in the value of core equity holdings of Motorola Inc. and Yahoo! Biogen Idec Inc, or Biogen, a core biotech position, detracted from performance along with our short equity exposure as equity markets rallied.

Current dislocations in the global financial markets and the lack of confidence resulting from unprecedented systemic risks associated with derivative and financial leverage may provide potential long-term opportunities for the Private Funds.

The Private Funds aggregate gross performance for the three and six months ended June 30, 2008 was a loss of 9.1% and 8.9%, respectively. During the three months ended June 30, 2008, or the second quarter of fiscal 2008, losses were primarily a result of the decline in the value of core holdings of Motorola Inc. and Yahoo!, which represented over 70% of the Private Funds total losses for the six months ended June 30, 2008. During the six months ended June 30, 2008, the Private Funds short equity exposure produced gains due to the negative performance of U.S. equity markets and the Private Funds short exposure to the financial sector. Long and short exposure to the credit markets, including fixed income, bank debt and derivative instruments, contributed to gains for the six months ended June 30, 2008.

Equity positions in Motorola Inc., Yahoo! and Biogen have been previously disclosed in other filings with the SEC.

Since inception in November 2004, the Private Funds gross returns are 51.4%, representing an annualized rate of return of 9.3% through June 30, 2009, which is indicative of a typical investor who has invested since inception of the Private Funds (excluding special profits interest allocations and incentive allocations). Past performance is not necessarily indicative of future results, particularly in the near term given current market conditions.

Operating Results

We consolidate certain of the Private Funds into our results. Accordingly, in accordance with U.S. GAAP, any special profits interest allocations, incentive allocations and earnings on investments in the Private Funds are eliminated in consolidation. These eliminations have no impact on our net income however, as our allocated share of the net income from the Private Funds includes the amount of these allocations and earnings.

The tables below provide a reconciliation of the unconsolidated revenues and expenses of our interest in the General Partners and Icahn Capital L.P., or Icahn Capital, to the consolidated U.S. GAAP revenues and expenses. The first column represents the results of operations of our interest in the General Partners and Icahn Capital without the impact of consolidating the Private Funds or the eliminations arising from the consolidation of these funds. This includes the gross amount of any special profits interest allocations, incentive allocations and returns on investments in the Private Funds that is attributable to us only. This also includes gains and losses on our direct investments in the Private Funds. The second column represents the total consolidated income and expenses of the Private Funds for all investors, including us, before eliminations. The third column represents the eliminations required in order to arrive at our consolidated U.S. GAAP reported results for the segment, which is provided in the fourth column.

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Summarized income statement information on a deconsolidated basis and on a U.S. GAAP basis for the three and six months ended June 30, 2009 and 2008 as follows (in millions of dollars):

	Three Months Ended June 30, 2009				Six Months Ended June 30, 2009			
	Icahn Enterprises Interests	Consolidated Private Funds	Eliminations	U.S. GAAP Investment Management	Icahn Enterprises Interests	Consolidated Private Funds	Eliminations	U.S. GAAP Investment Management
Revenues:								
Special profits interest allocations	$ 34	$	$ (34)	$	$ 121	$	$ (121)	$
Incentive allocations								
Net gain from investment activities	150 [(1)]	684	(150)	684	221 [(1)]	943	(221)	943
Interest and dividend income		35		35		110		110
	184	719	(184)	719	342	1,053	(342)	1,053
Expenses:								
Costs and expenses	10	31		41	19	50		69
Interest expense						1		1
	10	31		41	19	51		70
Income from continuing operations before income tax expense	174	688	(184)	678	323	1,002	(342)	983
Income expense	(2)			(2)	(2)			(2)
Income from continuing operations	172	688	(184)	676	321	1,002	(342)	981
Less: Income attributable to non-controlling interests from continuing operations		(646)	142	(504)		(869)	209	(660)
Income attributable to Icahn Enterprises from continuing operations	$ 172	$ 42	$ (42)	$ 172	$ 321	$ 133	$ (133)	$ 321

(1) We have made investments aggregating $1.2 billion in the Private Funds for which no special profits interest allocations or incentive allocations are applicable. As of June 30, 2009, the total value of these

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investments is $1.1 billion, with an unrealized gain of $142 million and $209 million for the three and six months ended June 30, 2009, respectively, and unrealized losses of $62 million and $63 million for the three and six months ended June 30, 2008, respectively. Additionally, Carl C. Icahn, along with his affiliates, makes investments in the Private Funds (other than the amounts invested by us and our affiliates). These investments are also not subject to special profits interest allocations or incentive allocations. As of June 30, 2009 and December 31, 2008, the total fair value of these investments was each approximately $1.1 billion. At June 30, 2009, the fair value of the investments is net of a redemption of $300 million from the Private Funds by a wholly-owned affiliate of Mr. Icahn. On July 1, 2009, a separate wholly-owned affiliate of Mr. Icahn invested $300 million into the Private Funds, making the total fair value of these investments $1.4 billion as of July 1, 2009. The investments and related earnings of Icahn Enterprises and of Carl C. Icahn, along with his affiliates, are reflected in the Private Funds net assets and earnings.

As of June 30, 2009, the full Target Special Profits Interest Amount was $121.3 million, which includes a carry-forward Target Special Profits Interest Amount of $70.4 million from December 31, 2008, a Target Special Profits Interest Amount for the first six months of the fiscal year ending December 31, 2009, or fiscal 2009, and a hypothetical return on the full Target Special Profits Interest Amount from the Investment Funds. Of the full Target Special Profits Interest Amount as of June 30, 2009, $120.7 million was accrued as a special profits interest allocation for the first six months of fiscal 2009 and $0.6 million will be carried forward to the extent that there are sufficient net profits in the Investment Funds during the investment period to cover such amounts. No accrual for special profits interest allocations were made for the six months ended June 30, 2008 due to losses in the Investment Funds.

Incentive allocations were not material for the three and six months ended June 30, 2009 and 2008 as a result of the performance of the Private Funds. There were no incentive allocations for the second quarter and first six months of fiscal 2009 due to a high water mark incurred during fiscal 2008 that was primarily attributable to the Private Funds investment losses. (The General Partners do not earn incentive allocations during a particular period even though the Private Funds may have a positive return in such period until losses in prior periods have been recovered.) The General Partners incentive allocations earned from the Private Funds are accrued on a quarterly basis and are allocated to the General Partners at the end of the Private Funds fiscal year (or sooner on redemptions), provided that, effective July 1, 2009, certain new options do not provide for incentive allocations at the end of each fiscal year.

The net gain from investment activities from our interest in the Private Funds was $150 million and $221 million for the three and six months ended June 30, 2009, respectively, which each consists of two components. The first component reflects a net gain of $8 million and $12 million for the three and six months ended June 30, 2009, respectively, primarily relating to the increase in the General Partners investment in the Private Funds as a result of the return on earned incentive allocations from prior periods. The second component includes a net investment gain for the three and six months ended June 30, 2009 of $142 million and $209 million, respectively, on our cumulative investment of $1.2 billion in the Private Funds. For the three and six months ended June 30, 2008, our cumulative investment in the Private Funds was $700 million, which had a net investment loss of $62 million and $63 million, respectively.

Net realized and unrealized gains of the Private Funds on investment activities were $684 million and $943 million for the three and six months ended June 30, 2009, respectively, as compared to a loss of $772 million and $798 million for the three and six months ended June 30, 2008, respectively. The improvements relate to the positive performance of the Private Funds during the first half of fiscal 2009.

Interest and dividend income was $35 million and $110 million for the three and six months ended June 30, 2009, respectively, compared to $63 million and $103 million for the three and six months ended June 30, 2008, respectively. The changes over the corresponding respective periods are due to amounts earned on interest-paying investments.

The General Partners and Icahn Capital s costs and expenses for the three and six months ended June 30, 2009 were $10 million and $19 million, respectively, as compared to $10 million and $18 million for the three months and six months ended June 30, 2008, respectively. Compensation expense increased for the second quarter and the first half of fiscal 2009 and was primarily attributable to compensation awards relating

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to special profits interest allocations in the current year periods but were offset by lower general and administrative costs as compared to corresponding prior year periods.

The Private Funds costs and expenses increased by $36 million and $49 million for the three and six months ended June 30, 2009, compared to the corresponding prior year periods. This increase is primarily attributable to an increase in dividend expense and appreciation of the deferred management fee payable for the three and six months ended June 30, 2009 as compared to the corresponding prior year periods.

Automotive

We conduct our Automotive segment through our majority ownership in Federal-Mogul. Federal-Mogul is a leading global supplier of technology and innovation in vehicle and industrial products for fuel economy, alternative energies, environment and safety systems. Federal-Mogul serves the world s foremost original equipment manufacturers (OEM) of automotive, light commercial, heavy-duty, industrial, agricultural, aerospace, marine, rail, and off-road vehicles, as well as the worldwide aftermarket. Effective July 3, 2008, we acquired a majority interest in Federal-Mogul.

Federal-Mogul believes that its sales are well balanced between OEM and aftermarket as well as domestic and international. During the six months ended June 30, 2009, Federal-Mogul derived 52% of its sales from the OE market and 48% from the aftermarket. Federal-Mogul s customers include the world s largest automotive OEMs and major distributors and retailers in the independent aftermarket. During the six months ended June 30, 2009, Federal-Mogul derived 42% of its sales in the United States and 58% internationally. During the first quarter of fiscal 2009, Federal-Mogul consolidated its product groups and eliminated the Automotive Products group. As of June 30, 2009, Federal-Mogul is organized into four product groups: Powertrain Energy, Powertrain Sealing and Bearings, Vehicle Safety and Protection, and Global Aftermarket. Federal-Mogul has operations in established markets including Canada, France, Germany, Italy, Japan, Spain, the United Kingdom and the United States, and emerging markets including Brazil, China, Czech Republic, Hungary, India, Korea, Mexico, Poland, Russia, Thailand and Turkey. The attendant risks of Federal-Mogul s international operations are primarily related to currency fluctuations, changes in local economic and political conditions, and changes in laws and regulations.

Federal-Mogul s Annual Report on Form 10-K for the fiscal year ended December 31, 2008 filed with the SEC on February 24, 2009 contains a detailed description of its business, products, industry, operating strategy and associated risks. Federal-Mogul s most recent Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009 was filed with the SEC on July 30, 2009.

In accordance with U.S. GAAP, assets transferred between entities under common control are accounted for at historical cost similar to a pooling of interests. As of February 25, 2008 (the effective date of control by Thornwood Associates Limited Partnership, or Thornwood, and, indirectly, by Carl C. Icahn) and thereafter, as a result of our acquisition of a majority interest in Federal-Mogul on July 3, 2008, we consolidated the financial position, results of operations and cash flows of Federal-Mogul. We evaluated the activity between February 25, 2008 and February 29, 2008 and, based on the immateriality of such activity, concluded that the use of an accounting convenience date of February 29, 2008 was appropriate.

Although Federal-Mogul s results are included in our consolidated financial statements as of March 1, 2008, as discussed above, we believe that a meaningful discussion of Federal-Mogul s results should encompass its results for the entire six months ended June 30, 2008. Therefore, for comparative purposes, revenues and earnings of Federal-Mogul for the three and six months ended June 30, 2009 and 2008 are provided below. Additionally, Federal Mogul s results for the period March 1, 2008 through June 30, 2008 are provided below.

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The four product groups of our Automotive segment have been aggregated for purposes of reporting our operating results below (in millions of dollars):

	Three Months Ended June 30,		Variance	
	2009	2008	$	%
Net sales	$ 1,304	$ 1,995	$ (691)	-34.6 %
Cost of goods sold	1,107	1,620	(513)	-31.7 %
Gross margin	197	375	(178)	-47.5 %
Expenses:				
Selling, general and administrative	185	235	(50)	-21.3 %
Restructuring and impairment	2	1	1	100.0 %
	187	236	(49)	-20.8 %
Income from continuing operations before interest, income taxes and other income, net	$ 10	$ 139	$ (129)	-92.8 %

	Six Months Ended June 30,		Variance		Period March 1, 2008 through June 30, 2008
	2009	2008	$	%	
Net sales	$ 2,542	$ 3,854	$ (1,312)	-34.0 %	$ 2,641
Cost of goods sold	2,187	3,192	(1,005)	-31.5 %	2,180
Gross margin	355	662	(307)	-46.4 %	461
Expenses:					
Selling, general and administrative	382	470	(88)	-18.7 %	312
Restructuring and impairment	40	3	37	1233.3 %	3
	422	473	(51)	-10.8 %	315
(Loss) income from continuing operations before interest, income taxes and other income, net	$ (67)	$ 189	$ (256)	N/M	$ 146

Net sales for the three and six months ended June 30, 2009 decreased by $691 million (34.6%) and $1,312 million (34.0%), respectively, as compared to the corresponding prior year periods. The impact of the U.S. dollar strengthening, primarily against the euro, decreased reported sales by $160 million and $324 million for the three and six months ended June 30, 2009, respectively, as compared to the corresponding prior periods. In general, light and commercial vehicle OE production declined in all regions. Despite these production volume declines, Federal-Mogul generally maintained its OE market share in all regions. Global aftermarket volumes decreased, but this was partially mitigated by increased aftermarket share concentrated in North America during the six months ended June 30, 2009. The combined impact of these factors was a net sales volume decline of $550 million and $1,010 million for the three and six months ended June 30, 2009, respectively, as compared to the corresponding prior year periods. Net customer price increases impacted reported sales by $19 million and $22 million for the three and six months ended June 30, 2009, respectively, as compared to the corresponding prior year periods.

Gross margin was $197 million (15.1% of net sales) and $355 million (13.9% of net sales) for the three and six months ended June 30, 2009, respectively. For the three months ended June 30, 2009, favorable productivity in excess of labor and benefits inflation of $24 million, net customer price increases of $19 million and material sourcing savings of $12 million were more than offset by sales volume decreases that reduced gross margin by $209 million and increases in depreciation of $14 million and pension expense of $5 million as compared to the corresponding prior year period. For the six months ended June 30, 2009, favorable productivity in excess of labor and benefits inflation of $46 million and net customer price increases

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of $22 million were offset by sales volume decreases that reduced gross margin by $368 million and increases in depreciation of $16 million and pension expense of $5 million as compared to the corresponding prior year period.The impact of the U.S. dollar strengthening, primarily against the euro, decreased reported gross margin by $25 million and $47 million for the three and six months ended June 30, 2009, respectively, as compared to the corresponding prior year periods.

In connection with fresh-start reporting completed as of December 31, 2007, Federal-Mogul s inventory balances as of that date were increased by $68 million. During the six months ended June 30, 2008, Federal-Mogul recognized $68 million in additional cost of goods sold, which reduced gross margin by the same amount. The non-recurrence of this one-time event has resulted in an increase in gross margin for the six months ended June 30, 2009 when compared to the corresponding prior year period.

Selling, general and administrative, or SG&A, for the three and six months ended June 30, 2009 decreased by $50 million (21.3%) and $88 million (18.7%), respectively, as compared to the corresponding prior year periods. Favorable productivity, in excess of labor and benefits inflation, of $38 million and $64 million, and favorable foreign currency movements of $14 million and $29 million for the three and six months ended June 30, 2009, respectively, were partially offset by increased pension expenses of $11 million and $27 million for the three and six months ended June 30, 2009, respectively, as compared to the corresponding prior year periods. Additionally, amortization expense and Chapter 11 expenses decreased for the three and six months ended June 30, 2009 as compared to the corresponding prior year periods.

Federal-Mogul maintains technical centers throughout the world designed to integrate its leading technologies into advanced products and processes, to provide engineering support for all of its manufacturing sites, and to provide technological expertise in engineering and design development providing solutions for customers and bringing new, innovative products to market. Included in SG&A were research and development, or R&D, costs, including product and validation costs, of $34 million and $69 million for the three and six months ended June 30, 2009, respectively, as compared to $47 million and $95 million, respectively, for the corresponding prior year periods. As a percentage of OE sales, R&D was 5% for each of the three and six months ended June 30, 2009 as compared to 4% for each of the three and six months ended June 30, 2008.

Restructuring and impairment increased by $1 million and $37 million during the three and six months ended June 30, 2009 as compared to the corresponding prior year periods. The increase for the six months ended June 30, 2009 is primarily due to Restructuring 2009 (as defined below) expenses of $38 million incurred in the first quarter of fiscal 2009. In September 2008, Federal-Mogul announced a restructuring plan, herein referred to as Restructuring 2009, designed to improve operating performance and respond to increasingly challenging conditions in the global automotive market. This plan, when combined with other workforce adjustments, is expected to reduce Federal-Mogul s global workforce by 8,600 positions. Federal-Mogul continues to solidify the individual components of this plan, and will announce those components as plans are finalized. Federal-Mogul expects to incur additional restructuring expenses up to $17 million through the fiscal year ending December 31, 2010. As the majority of the costs expected to be incurred in relation to Restructuring 2009 are related to severance, such activities are expected to yield future annual savings at least equal to the incurred costs.

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Metals

Our Metals segment is conducted through our indirect, wholly owned subsidiary, PSC Metals.

Summarized statements of operations and performance data for PSC Metals for the three and six months ended June 30, 2009 and 2008 are as follows (in millions of dollars, except for tons and pounds metrics):

	Three Months Ended June 30,		Variance 2009 vs 2008		Six Months Ended June 30,		Variance 2009 vs 2008	
	2009	2008	$	%	2009	2008	$	%
Net sales	$64	$434	$(370)	-85.3 %	$140	$737	$(597)	-81.0 %
Cost of goods sold	65	362	(297)	-82.0 %	163	632	(469)	-74.2 %
Gross margin	(1)	72	(73)	-101.4%	(23)	105	(128)	-121.9%
Expenses:								
Selling, general and administrative	5	9	(4)	-44.4 %	8	15	(7)	-46.7 %
Impairment					13		13	N/M
	5	9	(4)	-44.4 %	21	15	6	40.0 %
(Loss) income from continuing operations before interest, income taxes and other income, net	$(6)	$63	$(69)	N/M	$(44)	$90	$(134)	N/M
Ferrous tons sold (in 000s)	174	588			382	1,137		
Non-ferrous pounds sold (in 000s)	23,426	39,333			42,892	73,349		

Net sales for the three and six months ended June 30, 2009 decreased by $370 million (85.3%) and $597 million (81.0%), respectively, as compared to the corresponding prior year periods. These decreases were primarily due to declines in ferrous revenues. Ferrous average pricing was approximately $343 per gross ton lower (65.2%) and ferrous shipments were 414,200 gross tons lower (70.5%) in the second quarter of fiscal 2009 compared to the second quarter of fiscal 2008. Ferrous average selling pricing was $246 per gross ton lower (54.8%) and ferrous shipments were 754,800 gross tons lower (66.4%) in the first six months of fiscal 2009 compared to the corresponding prior year period. Revenues for all product lines during the three and six months ended June 30, 2009 were significantly lower compared to the corresponding prior year periods as demand and prices for scrap metal fell to extremely low levels during the first half of the current year. While ferrous pricing improved by the end of the second quarter of fiscal 2009, overall demand remained weak, primarily due to continued low steel mill capacity utilization rates and lower demand for metals from the housing, construction, automotive and infrastructure sectors of the economy. Additionally, steel mills were de-stocking their scrap inventories in the first six months of fiscal 2009 which further reduced demand for our Metals segment s scrap products. The unfavorable comparison to fiscal 2008 results is compounded by the unprecedented growth in demand and pricing experienced by our Metals segment during fiscal 2008, prior to the start of the global market downturn which began during the second half of fiscal 2008.

Gross margin for the three and six months ended June 30, 2009 decreased by $73 million (101.4%) and $128 million (121.9%), respectively, as compared to the corresponding prior year periods. The decreases were primarily due to declines in ferrous revenues resulting from a drop in ferrous average pricing coupled with lower ferrous shipments over the comparative periods as discussed above. However, gross margin improved during the second quarter of fiscal 2009 when compared to the first quarter of fiscal 2009, partly due to the favorable impact of cost reduction actions taken in the recycling yards during the first quarter of fiscal 2009. As a percentage of net sales, cost of goods sold was 101.6% and 116.4% for the three and six months ended June 30, 2009, respectively, compared to 83.4% and 85.8% for the three and six months ended June 30, 2008, respectively. The cost of goods sold for the six months ended June 30, 2009 included a $7 million charge related to lower of cost or market adjustments due to falling prices, primarily in the secondary market.

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As noted above, PSC Metals net sales for the first quarter of fiscal 2009 declined significantly from 2008 levels as the demand and prices for scrap fell to extremely low levels due to historically low steel mill capacity utilization rates and declines in other sectors of the economy. Given the indication of a potential impairment, PSC Metals completed a valuation of its goodwill and other indefinite-lived intangibles as of March 31, 2009, utilizing discounted cash flows based on current market conditions. This valuation resulted in an impairment loss for goodwill and other indefinite-lived intangibles of $13 million which was recorded in the first quarter of fiscal 2009.

SG&A expenses for the three and six months ended June 30, 2009 decreased by $4 million (44.4%) and $7 million (46.7%), respectively, as compared to the corresponding prior year periods. The decrease is primarily due to cost reduction initiatives implemented during the first quarter of fiscal 2009. These initiatives included headcount reductions, a salary freeze and temporary pay cuts, elimination of the current year incentive program and suspension of spending for specific items.

We have suspended the exploration of strategic alternatives with respect to PSC Metals.

Real Estate

Our Real Estate segment is comprised of rental real estate, property development and resort activities associated with property development. The three related operating lines of our real estate segment have been aggregated for purposes of reporting our operating results below. Certain properties are reclassified as discontinued operations when subject to a contract and are excluded from income from continuing operations.

The following table summarizes the key operating data for our real estate segment for the three and six months ended June 30, 2009 and 2008 (in millions of dollars):

	Three Months Ended June 30,		Variance 2009 vs 2008		Six Months Ended June 30,		Variance 2009 vs 2008	
	2009	2008	$	%	2009	2008	$	%
Revenues(1)	$23	$ 23	$	0.0 %	$45	$ 47	$(2)	-4.3 %
Expenses	25	21	4	19.0 %	39	40	(1)	-2.5 %
(Loss) income from continuing operations before interest, income taxes and other income, net	$(2)	$ 2	$(4)	-200.0%	$6	$ 7	$(1)	-14.3%

(1) Revenues include net sales from development and resort operations, and rental and financing lease income from rental operations.

Total revenues for the second quarter of fiscal 2009 were essentially flat as compared to the corresponding prior year period, with a decrease in development sales activity due to general slowdown in residential and vacation homes, offset by an increase in net lease revenues from properties acquired during the third quarter of fiscal 2008 and other income, net. Total revenues for the six months ended June 30, 2009 decreased by $2 million (4.3%) as compared to the corresponding prior year period. The decrease was primarily attributable to a decrease in property development sales activity due to the general slowdown in residential and vacation home sales, offset in part by an increase in net lease revenues from properties acquired during the third quarter of fiscal 2008. For the three months ended June 30, 2009, we sold 6 residential units for approximately $3 million at an average price of $0.5 million compared to 15 residential units for approximately $13 million at an average price of $0.9 million in the corresponding prior period. For the six months ended June 30, 2009, we sold 9 residential units for approximately $6 million at an average price of $0.6 million compared to 26 residential units for approximately $25 million at an average price of $1 million in the corresponding prior year period.

Total expenses for the three months ended June 30, 2009 increased by $4 million (19.0%) as compared to the corresponding prior year period. This increase was primarily due to an increase in net lease expenses due to the acquisition of properties during the third quarter of fiscal 2008, offset in part by lower property development expenses. Total expenses for the six months ended June 30, 2009 decreased by $1 million (2.5%) and

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were primarily due to lower operating expenses in development, rental and resort, offset by an increase in net lease expenses due to the acquisition of properties during the third quarter of fiscal 2008.

During the second quarter of fiscal 2009, our Real Estate operations became aware that certain subcontractors had installed defective drywall manufactured in China (referred to herein as Chinese drywall) in a few of our Florida homes. Defective Chinese drywall appears to be an industry-wide issue as other homebuilders have publicly disclosed that they are experiencing problems related to defective Chinese drywall. Based on our assessment, we believe that only a limited number of previously constructed homes contain defective Chinese drywall. We believe that costs to repair these homes of defective Chinese drywall to be immaterial.

Based on current residential sales conditions, we anticipate that property development sales will likely continue to decline throughout the remainder of fiscal 2009. We may incur asset impairment charges if sales price assumptions and unit absorptions are not achieved.

Home Fashion

Historically, WPI has been adversely affected by a variety of unfavorable conditions, including the following items that continue to have an impact on its operating results:

- adverse competitive conditions for U.S. manufacturing facilities compared to manufacturing facilities located outside of the United States;
- growth of low-priced competitive imports from Asia and Latin America resulting from lifting of import quotas; and
- a difficult retail market for home textiles driven by both the current economy and the slowdown in residential home sales.

Summarized statements of operations for the three and six months ended June 30, 2009 and 2008 included in the consolidated statements of operations is as follows (in millions of dollars):

	Three Months Ended June 30,		Variance 2009 vs 2008		Six Months Ended June 30,		Variance 2009 vs 2008	
	2009	2008	$	%	2009	2008	$	%
Net sales	$86	$96	$(10)	-10.4%	$170	$210	$(40)	-19.0%
Cost of goods sold	77	89	(12)	-13.5%	156	194	(38)	-19.6%
Gross margin	9	7	2	28.6 %	14	16	(2)	-12.5%
Expenses:								
Selling, general and administrative	19	24	(5)	-20.8%	36	50	(14)	-28.0%
Restructuring and impairment	6	7	(1)	-14.3%	12	14	(2)	-14.3%
	25	31	(6)	-19.4%	48	64	(16)	-25.0%
Loss from continuing operations before interest, income taxes and other income, net	$(16)	$(24)	$8	-33.3%	$(34)	$(48)	$14	-29.2%

Net sales for the three and six months ended June 30, 2009 decreased by $10 million (10.4%) and $40 million (19.0%) as compared to the corresponding prior year periods. Gross margin for the three and six months ended June 30, 2009 increased by $2 million (28.6%) and decreased by $2 million (12.5%), respectively, as compared to the corresponding prior year periods. The decrease in net sales and gross margin continued to reflect lower sales due to the weak home textile retail environment, but has been mitigated by improvements in operating earnings as a result of lowering selling, general and administrative expenditures. WPI will continue to realign its manufacturing operations to optimize its cost structure, pursuing offshore sourcing arrangements that employ a combination of owned and operated facilities, joint ventures and third-party supply contracts.

Selling, general and administrative for the three and six months ended June 30, 2009 decreased by $5 million (20.8%) and $14 million (28.0%) as compared to the corresponding prior year periods, reflecting

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WPI s continuing efforts to reduce its selling, warehousing, shipping and general and administrative expenses. WPI continues to lower its selling, general and administrative expenditures by consolidating its locations, reducing headcount and applying more stringent oversight of expense areas where potential savings may be realized.

Restructuring and impairment for the three and six months ended June 30, 2009 decreased by $1 million (14.3%) and $2 million (14.3%) as compared to the corresponding prior year periods, primarily due to lower restructuring charges. Restructuring and impairment charges include severance, benefits and related costs, non-cash impairment charges related to plants that have been or will be closed and continuing costs of closed plants and transition expenses.

WPI continues its restructuring efforts and, accordingly, anticipates that restructuring charges (particularly with respect to the carrying costs of closed facilities until such time as these locations are sold) and operating losses will continue to be incurred throughout fiscal 2009. If WPI s restructuring efforts are unsuccessful or its existing strategic manufacturing plans are amended, it may be required to record additional impairment charges related to the carrying value of long-lived assets.

WPI s business is significantly influenced by the overall economic environment, including consumer spending, at the retail level, for home textile products. Certain U.S. retailers continue to report comparable store sales that were either negative or below their stated expectations. Many of these retailers are customers of WPI. Based on prevailing difficult economic conditions, it will likely be challenging for these same retailers during the remainder of fiscal 2009. WPI believes that it provides adequate reserves against its accounts receivable to mitigate exposure to known or likely bad debt situations, as well as sufficient overall reserves for reasonably estimated situations, should this arise.

Holding Company

The Holding Company engages in various investment activities. The activities include those associated with investing its available liquidity, investing to earn returns from increases or decreases in the market price of securities, and investing with the prospect of acquiring operating businesses that we would control. Holding Company expenses, excluding interest expense, are principally related to payroll, legal and other professional fees.

Summarized operating revenues and expenses for the Holding Company for the three and six months ended June 30, 2009 and 2008 are as follows (in millions of dollars):

	Three Months Ended June 30,		Variance 2009 vs 2008		Six Months Ended June 30,		Variance 2009 vs 2008	
	2009	2008	$	%	2009	2008	$	%
Net gain (loss) from investment activities	$4	$(9)	$13	N/M	$(4)	$(7)	$3	N/M
Interest and dividend income	1	15	(14)	-93.3%	3	34	(31)	-91.2%
Holding Company revenues	5	6	(1)	-16.7%	(1)	27	(28)	-103.7%
Holding Company expenses	3	8	(5)	-62.5%	7	15	(8)	-53.3%
Income (loss) from continuing operations before interest expense and income taxes	$2	$(2)	$4	-200.0%	$(8)	$12	$(20)	-166.7%

Net gain (loss) from investment activities for the three and six months ended June 30, 2009 increased by $13 million and $3 million, respectively, as compared to the corresponding prior year periods. The net gain in the second quarter of fiscal 2009 is due to unrealized gains on investments as compared to unrealized losses in the second quarter of fiscal 2008. The decrease in net loss from investment activities for the six months ended June 30, 2009 was primarily due to lower unrealized losses as compared to the corresponding prior year period.

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Interest and dividend income for the three and six months ended June 30, 2009 decreased by $14 million (93.3%) and $31 million (91.2%) as compared to the corresponding prior year periods. The decreases are primarily due to lower yields on lower cash balances for the three and six months ended June 30, 2009 as compared corresponding prior year period.

Expenses for the three and six months ended June 30, 2009 decreased by $5 million (62.5%) and $8 million (53.3%) as compared to the corresponding prior year periods. The decreases are primarily due to lower professional and legal fees.

Interest Expense

Interest expense for the three and six months ended June 30, 2009 decreased by $27 million (28.8%) and $13 million (8.6%) as compared to the corresponding prior year periods. The decreases are attributable to our automotive segment which incurred lower interest expense due to lower interest rates.

Income Taxes

We recorded an income tax benefit of $10 million and $20 million on pre-tax income of $621 million and $738 million for the three and six months ended June 30, 2009, respectively. We recorded an income tax expense of $56 million and $76 million on pre-tax loss of $610 million and $631 million for the three and six months ended June 30, 2008, respectively. Our effective income tax rate was (1.6)% and (2.7)% for the three and six months ended June 30, 2009 compared to (9.2)% and (12.0)% for the three and six months ended June 30, 2008. The difference between the effective tax rate and the statutory federal rate of 35% is due principally to income or losses from partnership entities in which taxes are the responsibility of the partners, as well as changes in valuation allowances.

Discontinued Operations

Income from discontinued operations for the three and six months ended June 30, 2009 was $2 million. Results from discontinued operations for the three and six months ended June 30, 2008 was a loss of $1 million and a gain of $488 million, respectively. On February 20, 2008, we consummated the sale of our subsidiary, American Casino & Entertainment Properties LLC, or ACEP, for $1.2 billion to an affiliate of Whitehall Street Real Estate Fund, realizing a gain of approximately $472 million, after taxes. With respect to the taxes recorded on the sale of ACEP, $103 million was recorded as a deferred tax liability pursuant to a Code 1031 Exchange transaction completed during the third quarter of fiscal 2008. The sale of ACEP included the Stratosphere and three other Nevada gaming properties, which represented all of our remaining gaming operations.

The financial position and results of discontinued operations are presented as other assets in the consolidated balance sheets and discontinued operations in the consolidated statements of operations, respectively, for all periods presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets* (SFAS No. 144). For further discussion, see Note 3, Discontinued Operations and Assets Held for Sale, to our consolidated financial statements.

Liquidity and Capital Resources

Holding Company

As of June 30, 2009, we had cash and cash equivalents of approximately $1.0 billion and total debt of approximately $1.9 billion. We have made investments aggregating $1.2 billion in the Private Funds for which no special profits interest allocations or incentive allocations are applicable. As of June 30, 2009, the total value of this investment is $1.1 billion, with unrealized gains of $142 million and $209 million for the three and six months ended June 30, 2009, respectively. These amounts are reflected in the Private Funds net assets and earnings. As of June 30, 2009, based on certain minimum financial ratios, we and Icahn Enterprises Holdings could not incur additional indebtedness. See Note 12, Debt, to the consolidated financial statements for additional information concerning credit facilities for us and our subsidiaries.

Pursuant to certain rights offerings, our preferred limited partner units must be redeemed on March 31, 2010, the Redemption Date. Each preferred unit has a liquidation preference of $10.00 and entitles the holder to receive distributions, payable solely in additional preferred units, at the rate of $0.50 per preferred unit per

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annum (which is equal to a rate of 5% of the liquidation preference thereof). In addition, on the Redemption Date, subject to the approval of our Audit Committee, we may opt to redeem all of the preferred units for an amount, payable either in cash or depositary units, equal to the liquidation preference of the preferred units, plus any accrued but unpaid distributions thereon. On the Redemption Date, if we elect to redeem the preferred units in cash, we believe that we will have sufficient cash available to do so from our existing cash and liquid investments; if we elect to redeem by issuance of our depositary units, we will have sufficient authorized depositary units available to do so. As of June 30, 2009, there were 13,127,179 preferred units issued and outstanding.

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 and preferred units likely will depend on the cash flow resulting from divestitures, equity and debt financings, interest income 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 payment of dividends 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 and preferred 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.

Consolidated Cash Flows

Operating Activities

Net cash used in operating activities for the six months ended June 30, 2009 was $293 million. Our Automotive segment accounted for $119 million of the consolidated net cash used in operating activities due to a net loss of $90 million, net changes in operating assets and liabilities of $165 million, offset in part by non-cash charges of $136 million. Our Investment Management segment accounted for $101 million of net cash used in operating activities resulting from net income of $981 million which includes net gain from investment activities of $772 million. Net cash proceeds from securities transactions were $36 million and changes in operating assets and liabilities had a net impact of $347 million of cash used for operating activities, which includes $295 million change in cash held at consolidated affiliated partnerships and restricted cash.

Investing Activities

Net cash used in investing activities from continuing operations for the six months ended June 30, 2009 was $89 million due to capital expenditures, primarily from our Automotive segment which had $89 million in capital expenditures.

Financing Activities

Net cash used in financing activities for the six months ended June 30, 2009 was $225 million due to capital distributions to non-controlling interests from our Investment Management segment of $165 million offset in part by $8 million of capital contributions from non-controlling interests. Additionally, we had two quarterly cash distributions to our depositary unit holders totaling $38 million and our Automotive and Real Estate segments repaid $19 million and $7 million of borrowings, respectively. During the first quarter of fiscal 2009, we invested an additional $250 million in the Private Funds which has been eliminated in consolidation.

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Borrowings

Debt consists of the following (in millions of dollars):

	June 30, 2009	December 31, 2008
Senior unsecured variable rate convertible notes due 2013 Icahn Enterprises	$ 556	$ 556
Senior unsecured 7.125% notes due 2013 Icahn Enterprises	962	961
Senior unsecured 8.125% notes due 2013 Icahn Enterprises	352	352
Exit facilities Federal-Mogul	2,507	2,495
Mortgages payable	116	123
Other	81	84
Total debt	$ 4,574	$ 4,571

See Note 12, Debt, to our consolidated financial statements for additional information concerning terms, restrictions and covenants of our debt. As of June 30, 2009 and December 31, 2008, we are in compliance with all debt covenants.

Contractual Commitments

There were no other material changes in our contractual obligations or any other liabilities reflected on our consolidated balance sheets compared to those reported in our Annual Report on Form 10-K for fiscal 2008 filed with the SEC on March 4, 2009.

Off-Balance Sheet Arrangements

We have off-balance sheet risk related to investment activities associated with certain financial instruments, including futures, options, credit default swaps and securities sold, not yet purchased. For additional information regarding these arrangements, refer to Note 7, Financial Instruments, in our consolidated financial statements.

Discussion of Segment Liquidity and Capital Resources

Investment Management

Effective January 1, 2008, the General Partners are eligible to receive special profits interest allocations which, to the extent that they are earned, will generally be allocated at the end of each fiscal year. In the event that amounts earned from special profits interest allocations are not sufficient to cover the operating expenses of the Investment Management segment in any given year, the Holding Company has and intends to continue to provide funding as needed. The General Partners may also receive incentive allocations which are generally calculated and allocated to the General Partners at the end of each fiscal year, provided that, effective July 1, 2009, certain new options do not provide for incentive allocations at the end of each fiscal year. To the extent that incentive allocations are earned as a result of redemption events during interim periods, they are made to the General Partners in such periods. Additionally, certain incentive allocations earned by the General Partners have historically remained invested in the Private Funds which may also serve as an additional source of cash.

The investment strategy utilized by the Investment Management segment is generally not heavily reliant on leverage. As of June 30, 2009, the ratio of the notional exposure of the Private Funds invested capital to net asset value of the

Private Funds was approximately 1.13 to 1.00 on the long side and 0.61 to 1.00 on the short side. The notional principal amount of an investment instrument is the reference amount that is used to calculate profit or loss on that instrument. The Private Funds historically have had, which we expect to continue to have, access to significant amounts of cash from prime brokers, subject to customary terms and market conditions.

Investment related cash flows in the consolidated Private Funds are classified within operating activities in our consolidated statements of cash flows. Therefore, there are no cash flows attributable to investing activities presented in the consolidated statements of cash flows.

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Cash inflows from and distribution to investors in the Private Funds are classified within financing activities in our consolidated statements of cash flows. These amounts are reported as contributions from and distributions to non-controlling interests in consolidated affiliated partnerships. Net cash provided by financing activities was $98 million for the six months ended June 30, 2009 due to capital contributions from Icahn Enterprises of $255 million (of which $250 million represents an additional investment in the Private Funds and $5 million represents a general partner interest) and capital contributions by non-controlling interests of $8 million during the six months ended June 30, 2009 offset in part by $165 million in capital distributions to non-controlling interests. Our additional contributions of $255 million in the Private Funds have been eliminated in consolidation.

Automotive

Cash flow used by operating activities was $119 million for the six months ended June 30, 2009 compared to cash provided from operating activities of $258 million for the comparable period of fiscal 2008. The most significant factors contributing to operating activity cash flows during the six months ended June 30, 2008 related to emergence from Chapter 11. Cash (used in) provided by operations, excluding the impacts of emergence from Chapter 11 related cash flows, were ($109) million and $50 million for the six months ended June 30, 2009 and 2008, respectively.

Cash flow used in investing activities was $80 million for the first six months of 2009, compared to cash used in investing activities of $142 million for the comparable period of fiscal 2008.

Cash flow used in financing activities was $24 million for the first six months of fiscal 2009, compared to cash provided by financing activities of $292 million for the comparable period of fiscal 2008.

In connection with the consummation of the Plan, on the Effective Date, Federal-Mogul entered into a Term Loan and Revolving Credit Agreement, (referred to herein as the Exit Facilities). The Exit Facilities include a $540 million revolving credit facility (which is subject to a borrowing base and can be increased under certain circumstances and subject to certain conditions) and a $2,960 million term loan credit facility divided into a $1,960 million tranche B loan and a $1,000 million tranche C loan. Federal-Mogul borrowed $878 million under the term loan facility on the Effective Date and the remaining $2,082 million of term loans were drawn on January 3, 2008 for the purpose of refinancing obligations under the Tranche A Term Loan Agreement (referred to herein as the Tranche A Facility Agreement) and the Indenture. As of June 30, 2009, there was $534 million of borrowing availability under the revolving credit facility.

Federal-Mogul s ability to obtain cash adequate to fund its needs depends generally on the results of its operations, restructuring initiatives and the availability of financing. Federal-Mogul s management believes that cash on hand, cash flow from operations and available borrowings under the Exit Facilities will be sufficient to fund capital expenditures and meet its operating obligations through the end of fiscal 2009. In the longer term, Federal-Mogul believes that its base operating potential, supplemented by the benefits from its announced restructuring programs, will provide adequate long-term cash flows. However, there can be no assurance that such initiatives are achievable in this regard.

Federal-Mogul maintains investments in 14 non-consolidated affiliates, which are located in China, Germany, Italy, Japan, Korea, Turkey, the United Kingdom and the United States. Federal-Mogul s direct ownership in such affiliates ranges from approximately 1% to 50%. The aggregate investment in these affiliates approximates $225 million and $221 million at June 30, 2009 and December 31, 2008, respectively. Dividends received from non-consolidated affiliates of Federal-Mogul for the six months ended June 30, 2009 were not material.

Federal-Mogul s joint ventures are businesses established and maintained in connection with its operating strategy and are not special purpose entities. In general, Federal-Mogul does not extend guarantees, loans or other instruments of a variable nature that may result in incremental risk to Federal-Mogul s liquidity position. Furthermore, Federal-Mogul does not rely on dividend payments or other cash flows from its non-consolidated affiliates to fund its operations and, accordingly, does not believe that they have a material effect on Federal-Mogul s liquidity.

Federal-Mogul holds a 50% non-controlling interest in a joint venture located in Turkey. This joint venture was established in 1995 for the purpose of manufacturing and marketing automotive parts, including

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pistons, piston rings, piston pins and cylinder liners, to OE and aftermarket customers. Pursuant to the joint venture agreement, Federal-Mogul s partner holds an option to put its shares to a subsidiary of Federal-Mogul at the higher of the current fair value or at a guaranteed minimum amount. The term of the contingent guarantee is indefinite, consistent with the terms of the joint venture agreement. However, the contingent guarantee would not survive termination of the joint venture agreement.

The guaranteed minimum amount represents a contingent guarantee of the initial investment of the joint venture partner and can be exercised at the discretion of the partner. As of June 30, 2009, the total amount of the contingent guarantee, were all triggering events to occur, approximated $58 million. Federal-Mogul believes that this contingent guarantee is substantially less than the estimated current fair value of the guarantees interest in the affiliate. As such, the contingent guarantee does not give rise to a contingent liability and, as a result, no amount is recorded for this guarantee. If this put option were exercised, the consideration paid and net assets acquired would be accounted for in accordance with SFAS No. 141(R), *Business Combinations*. If this put option were exercised at its estimated current fair value, such exercise could have a material effect on Federal-Mogul s liquidity. Any value in excess of the guaranteed minimum amount of the put option would be the subject of negotiation between Federal-Mogul and its joint venture partner.

In accordance with SFAS No. 150, *Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity*, Federal-Mogul has determined that its investments in Chinese joint venture arrangements are considered to be limited-lived as such entities have specified durations ranging from 30 to 50 years pursuant to regional statutory regulations. In general, these arrangements call for extension, renewal or liquidation at the discretion of the parties to the arrangement at the end of the contractual agreement. Accordingly, a reasonable assessment cannot be made as to the impact of such contingencies on the future liquidity position of Federal-Mogul.

Federal-Mogul s subsidiaries in Brazil, France, Germany, India, Italy and Spain are each a party to accounts receivable factoring arrangements. Gross accounts receivable factored under these facilities were $209 million and $222 million as of June 30, 2009 and December 31, 2008, respectively. Of those gross amounts, $188 million and $209 million, respectively, were factored without recourse and treated as sales under SFAS No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities.* Under the terms of these factoring arrangements, Federal-Mogul is not obligated to draw cash immediately upon the factoring of accounts receivable. Federal-Mogul had drawings against all of its factored receivables as of June 30, 2009. Federal-Mogul had outstanding factored amounts of $8 million for which cash had not yet been drawn as of December 31, 2008.

Metals

The primary source of cash from our Metals segment is from the operation of its processing facilities.

As of June 30, 2009, our Metals segment had cash and cash equivalents of $25 million. During the six months ended June 30, 2009, net cash used in operating activities was $22 million, resulting primarily from $27 million attributable to net loss, offset by $7 million in non-cash items. The change in working capital was minimal, with a $24 million decrease in accounts payable and accrued liabilities, offset by a $17 million reduction in receivables and a $6 million decrease in inventory.

Net cash used in investing activities for the six months ended June 30, 2009 included capital spending of $7 million. Capital expenditures for the remainder of fiscal 2009 are expected to total approximately $6 million for maintenance projects at existing facilities and for outstanding capital purchase commitments.

Net cash used in financing activities for the six months ended June 30, 2009 was not material.

Our Metals segment believes that its current cash levels and cash flow from operating activities, supplemented with temporary short-term borrowing from Icahn Enterprises, are adequate to fund its ongoing operations and capital plan for the next 12 months.

Real Estate

Our Real Estate segment generates cash through rentals, leases and asset sales (principally sales of rental and residential properties) and the operation of resorts. All of these operations generate cash flows from operations.

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At June 30, 2009, our Real Estate segment had cash and cash equivalents of $177 million.

For the six months ended June 30, 2009, cash provided by operating activities from continuing operations was $22 million resulting primarily from income from continuing operations of $2 million, non-cash charges of $14 million and a decrease in property development inventory of $2 million and changes in operating assets and liabilities of $3 million. Cash used in investing activities from continuing operations was $4 million. Cash used in financing activities was $7 million for payments of mortgage debt.

We expect operating cash flows to be positive from our Real Estate operations during fiscal 2009.

Home Fashion

At June 30, 2009, WPI had $117 million of unrestricted cash and cash equivalents. There were no borrowings under the WestPoint Home revolving credit agreement as of June 30, 2009, but there were outstanding letters of credit of $14 million. Based upon the eligibility and reserve calculations within the agreement, WestPoint Home had unused borrowing availability of $36 million at June 30, 2009.

For the six months ended June 30, 2009, our Home Fashion segment had a negative operating cash flow from continuing operations of $13 million. Negative operating cash flow for the six months ended June 30, 2009 resulted primarily from loss from continuing operations before non-cash charges of $26 million, offset in part by changes in working capital of $16 million. WPI anticipates that its operating losses and restructuring charges will continue to be incurred for the remainder of fiscal 2009.

Capital expenditures by WPI were $1 million for the six months ended June 30, 2009. Capital expenditures for fiscal 2009 are expected to total $5 million.

Through a combination of its existing cash on hand and its borrowing availability under the WestPoint Home senior secured revolving credit facility (together, an aggregate of $153 million), WPI believes that it has adequate capital resources and liquidity to meet its anticipated requirements to continue its operational restructuring initiatives and for working capital and capital spending through the next 12 months. In its analysis with respect to the sufficiency of adequate capital resources and liquidity, WPI has considered that its retail customers may continue to face either negative or flat comparable store sales for home textile products during fiscal 2009. However, depending upon the levels of additional acquisitions and joint venture investment activity, if any, additional financing, if needed, may not be available to WPI or, if available, may not be on terms favorable to WPI. WPI s estimates of its anticipated liquidity needs may not be accurate and new business opportunities or other unforeseen events could occur, resulting in the need to raise additional funds from outside sources.

Distributions

Depositary Units

On March 30, 2009, we paid a distribution of $0.25 per LP unit, aggregating $19 million, to depositary unitholders of record at the close of business on March 16, 2009. On June 3, 2009, we paid an additional distribution of $0.25 per LP unit, aggregating an additional $19 million, to depositary unitholders of record at the close of business on May 22, 2009.

On July 31, 2009, the Board of Directors approved a payment of a quarterly cash distribution of $0.25 per unit on our depositary units payable in the third quarter of fiscal 2009. The distribution will be paid on August 31, 2009, to depositary unitholders of record at the close of business on August 20, 2009. Under the terms of the indenture dated April 5, 2007 governing our variable rate notes due 2013, we will also be making a $0.15 distribution to holders of these notes in accordance with the formula set forth in the indenture.

Preferred Units

Pursuant to the terms of the preferred units, on February 23, 2009, we declared our scheduled annual preferred unit distribution payable in additional preferred units at the rate of 5% of the liquidation preference of $10.00. In addition, pursuant to the terms of the preferred units, on March 31, 2009, we distributed 624,925 preferred units to holders of record of our preferred units at the close of business on March 17, 2009.

Our preferred units are subject to redemption at our option on any payment date, and the preferred units must be redeemed by us on or before March 31, 2010. The redemption price is payable, at our option, subject

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to the indenture, either all in cash or by the issuance of depositary units, in either case, in an amount equal to the liquidation preference of the preferred units plus any accrued but unpaid distributions thereon.

Critical Accounting Policies and Estimates

There were no material changes to our critical accounting policies and estimates during the six months ended June 30, 2009 compared to those reported in our Annual Report on Form 10-K for fiscal 2008 filed with the SEC on March 4, 2009.

Recently Issued Accounting Pronouncements

In June 2009, the FASB issued SFAS No. 167, *Amendments to FASB Interpretation No. 46(R)* (SFAS No. 167), which amends the consolidation guidance applicable to variable interest entities (VIEs). The amendments to the consolidation guidance affect all entities currently within the scope of FIN 46(R), as well as qualifying special-purpose entities (or QSPEs) that are currently excluded from the scope of FIN 46(R). SFAS No. 167 replaces the quantitative-based risks and rewards calculation for determining which enterprise, if any, has a controlling financial interest in a variable interest entity with an approach focused on identifying which enterprise has the power to direct the activities of a VIE that most significantly impact the entity s economic performance and (1) the obligation to absorb losses of the entity or (2) the right to receive benefits from the entity. SFAS No. 167 is effective as of the beginning of the first fiscal year beginning after November 15, 2009. We are currently evaluating the impact, if any, that SFAS No. 167 would have on our financial condition, results of operation and cash flows upon adoption.

In June 2009, the FASB issued SFAS No. 166, *Accounting for Transfers of Financial Assets an amendment of FASB Statement No. 140* (SFAS No. 166). SFAS No. 166 amends the derecognition accounting and disclosure guidance relating to SFAS No. 140. SFAS No. 166 eliminates the exemption from consolidation for QSPEs; it also requires a transferor to evaluate all existing QSPEs to determine whether it must be consolidated in accordance with SFAS No. 167. SFAS No. 166 is effective for financial asset transfers occurring after the beginning of an entity s first fiscal year beginning after November 15, 2009. We are currently evaluating the impact, if any, that SFAS No. 166 would have on our financial condition, results of operations and cash flows upon adoption.

Forward-Looking Statements

Statements included in Management s Discussion and Analysis of Financial Condition and Results of Operations which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the safe harbor provided by Section 27A of the Securities Act and Section 21E of the Exchange Act of 1934, or the Exchange Act, as amended, or by Public Law 104-67.

Forward-looking statements regarding management s present plans or expectations involve risks and uncertainties and changing economic or competitive conditions, as well as the negotiation of agreements with third parties, which could cause actual results to differ from present plans or expectations, and such differences could be material.

Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this document. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those predicted. Also, please see Item 1A Risk Factors in our Annual Report on Form 10-K for fiscal 2008 that we filed with the SEC on March 4, 2009.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our significant market risks are primarily associated with interest rates and security prices. Reference is made to Part II, Item 7A of our Annual Report on Form 10-K for fiscal 2008 that we filed with the SEC on March 4, 2009 for disclosures relating to interest rates and our equity prices. With the exception of the market risk of our Investment Management segment as discussed below, there have been no other material changes to our market risk during the first six months of fiscal 2009.

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Investment Management

The Private Funds hold investments that are reported at fair value as of the reporting date, which include investments, securities sold, not yet purchased and derivatives as reported on our consolidated balance sheets. Based on their respective balances as of June 30, 2009, we estimate that in the event of a 10% adverse change in the fair value of these investments, the fair values of investments, securities sold, not yet purchased, and derivatives would decrease by $429 million, $243 million and $21 million, respectively. However, as of June 30, 2009 we estimate that the impact to our share of the net gain or loss from investment activities reported on our consolidated statement of operations would be significantly less than the change in fair value since we have an investment of approximately 26.9% in these Private Funds, and the non-controlling interests in income would correspondingly offset approximately 73.1% of the change in fair value.

Item 4. Controls and Procedures

As of June 30, 2009, our management, including our Principal Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of Icahn Enterprises and our 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 Principal Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are currently 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 SEC 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 principal executive officer and principal 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 first six months of fiscal 2009 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Icahn Enterprises and its subsidiaries are parties in a variety of legal actions arising out of the normal course of business. For further information regarding our legal proceedings, see our Legal Proceedings set forth in Part I, Item 3 of our Annual Report on Form 10-K for fiscal 2008, filed with the SEC on March 4, 2009, and Note 20, Commitments and Contingencies, of the consolidated financial statements included in Part I of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

The risk factors related to our Investment Management segment that are set forth in our Annual Report on Form 10-K for fiscal 2008, filed with the SEC on March 4, 2009, are supplemented by the following:

The Private Funds invest in distressed securities, as well as bank loans, asset backed securities and mortgage backed securities.

The Private Funds may invest in securities of U.S. and non-U.S. issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, or that are involved in bankruptcy or reorganization proceedings. Investments of this type may involve substantial financial, legal and business risks that can result in substantial, or at times even total, losses. The market prices of such securities are subject to abrupt and erratic market movements and above-average price volatility. It may take a number of years for the market price of such securities to reflect their intrinsic value. In liquidation (both in and out of bankruptcy) and other forms of corporate insolvency and reorganization, there exists the risk that the reorganization either will be unsuccessful (due to, for example, failure to obtain requisite approvals), will be delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution of cash, assets or a new security the value of which will be less than the purchase price to the Private Funds of the security in respect to which such distribution was made and the terms of which may render such security illiquid.

Item 6. Exhibits

Exhibit No.	Description
Exhibit 15.1	Letter of Grant Thornton LLP regarding unaudited interim financial information.
Exhibit 15.2	Letter of Ernst & Young LLP regarding unaudited interim financial information.
Exhibit 31.1	Certification of Principal 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.
Exhibit 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.
Exhibit 32.1	Certification of Principal Executive 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.
Exhibit 32.2	

	Certification of 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.
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ICAHN ENTERPRISES, L.P.
(Registrant)

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

/s/ Dominick Ragone

By: Dominick Ragone

Chief Financial Officer

Date: August 5, 2009

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