us-gaap:AccruedLiabilitiesCurrentAndNoncurrent0000813762--12-312020FY2140785582413388350.01P4YP2Yus-gaap:AccruedLiabilitiesCurrentAndNoncurrentus-gaap:AccruedLiabilitiesCurrentAndNoncurrent241338835214078558false0000813762us-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:ViskaseMember2020-01-012020-12-310000813762iep:ViskaseMemberus-gaap:PrivatePlacementMember2020-01-012020-12-310000813762iep:ViskaseMemberiep:FoodPackagingSegmentMember2020-01-012020-12-310000813762iep:CvrEnergyIncMemberiep:EnergySegmentMember2020-01-012020-12-310000813762iep:CvrRefiningLpMember2020-01-012020-12-310000813762iep:IcahnEnterprisesGPMemberiep:MiningsegmentMember2019-07-312019-07-310000813762iep:CvrRefiningLpMemberiep:EnergySegmentMember2019-01-292019-01-290000813762iep:CvrEnergyIncMemberiep:EnergySegmentMember2019-01-292019-01-290000813762iep:ViskaseMemberus-gaap:PrivatePlacementMember2019-01-012019-12-310000813762iep:ViskaseMemberiep:FoodPackagingSegmentMember2019-01-012019-12-310000813762iep:ViskaseMemberus-gaap:PrivatePlacementMember2020-10-012020-10-310000813762iep:CvrEnergyIncMember2019-12-310000813762us-gaap:PublicUtilitiesInventoryPetroleumProductsMemberiep:EnergySegmentMember2020-01-012020-12-310000813762iep:NitrogenfertilizerproductsMemberiep:EnergySegmentMember2020-01-012020-12-310000813762iep:AutomotiveservicesrevenueMemberiep:AutomotiveSegmentMember2020-01-012020-12-310000813762iep:AutomotivepartsMemberiep:AutomotiveSegmentMember2020-01-012020-12-310000813762us-gaap:PublicUtilitiesInventoryPetroleumProductsMemberiep:EnergySegmentMember2019-01-012019-12-310000813762iep:NitrogenfertilizerproductsMemberiep:EnergySegmentMember2019-01-012019-12-310000813762iep:AutomotiveservicesrevenueMemberiep:AutomotiveSegmentMember2019-01-012019-12-310000813762iep:AutomotivepartsMemberiep:AutomotiveSegmentMember2019-01-012019-12-310000813762us-gaap:PublicUtilitiesInventoryPetroleumProductsMemberiep:EnergySegmentMember2018-01-012018-12-310000813762iep:NitrogenfertilizerproductsMemberiep:EnergySegmentMember2018-01-012018-12-310000813762iep:AutomotiveservicesrevenueMemberiep:AutomotiveSegmentMember2018-01-012018-12-310000813762iep:AutomotivepartsMemberiep:AutomotiveSegmentMember2018-01-012018-12-310000813762iep:RestrictedCashMember2020-12-310000813762iep:CashheldatconsolidatedaffiliatedpartnershipsMember2020-12-310000813762iep:RestrictedCashMember2019-12-310000813762iep:CashheldatconsolidatedaffiliatedpartnershipsMember2019-12-310000813762sic:Z7600us-gaap:EquityMethodInvesteeMember2020-01-012020-12-310000813762iep:InvestmentinfundsMemberiep:PrincipalOwnersAndAffiliatesMember2020-01-012020-12-310000813762iep:ExpenseSharingAgreementMemberiep:ConsolidatedVIEMember2020-01-012020-12-310000813762us-gaap:OperatingExpenseMemberiep:InsightPortfolioGroupLLCMember2019-01-012019-12-310000813762sic:Z7600us-gaap:EquityMethodInvesteeMember2019-01-012019-12-310000813762iep:InvestmentinfundsMemberiep:PrincipalOwnersAndAffiliatesMember2019-01-012019-12-310000813762iep:ExpenseSharingAgreementMemberiep:ConsolidatedVIEMember2019-01-012019-12-310000813762iep:PurchasesfromrelatedpartyMemberus-gaap:EquityMethodInvesteeMemberiep:InvestmentSegmentMember2018-01-012018-12-310000813762us-gaap:OperatingExpenseMemberiep:InsightPortfolioGroupLLCMember2018-01-012018-12-310000813762sic:Z7600us-gaap:EquityMethodInvesteeMember2018-01-012018-12-310000813762iep:RailcarcomponentsalesMemberiep:AcfMember2018-01-012018-12-310000813762iep:PurchasesfromrelatedpartyMemberiep:AcfMember2018-01-012018-12-310000813762iep:InvestmentinfundsMemberiep:PrincipalOwnersAndAffiliatesMember2018-01-012018-12-310000813762iep:ExpenseSharingAgreementMemberiep:ConsolidatedVIEMember2018-01-012018-12-310000813762srt:MinimumMemberus-gaap:BuildingAndBuildingImprovementsMember2020-01-012020-12-310000813762srt:MinimumMemberus-gaap:AssetsLeasedToOthersMember2020-01-012020-12-310000813762srt:MinimumMemberiep:OtherFinancingLeasesMember2020-01-012020-12-310000813762srt:MinimumMemberiep:MachineryEquipmentAndFurnitureMember2020-01-012020-12-310000813762srt:MaximumMemberus-gaap:BuildingAndBuildingImprovementsMember2020-01-012020-12-310000813762srt:MaximumMemberus-gaap:AssetsLeasedToOthersMember2020-01-012020-12-310000813762srt:MaximumMemberiep:OtherFinancingLeasesMember2020-01-012020-12-310000813762srt:MaximumMemberiep:MachineryEquipmentAndFurnitureMember2020-01-012020-12-310000813762us-gaap:AssetsLeasedToOthersMemberiep:RealEstateSegmentMember2020-12-310000813762iep:SegmentgeographicOtherMember2020-12-310000813762country:US2020-12-310000813762us-gaap:AssetsLeasedToOthersMemberiep:RealEstateSegmentMember2019-12-310000813762iep:SegmentgeographicOtherMember2019-12-310000813762country:US2019-12-310000813762us-gaap:LandMember2020-12-310000813762us-gaap:ConstructionInProgressMember2020-12-310000813762us-gaap:BuildingAndBuildingImprovementsMember2020-12-310000813762us-gaap:AssetsLeasedToOthersMember2020-12-310000813762iep:OtherFinancingLeasesMember2020-12-310000813762iep:MachineryEquipmentAndFurnitureMember2020-12-310000813762us-gaap:LandMember2019-12-310000813762us-gaap:ConstructionInProgressMember2019-12-310000813762us-gaap:BuildingAndBuildingImprovementsMember2019-12-310000813762us-gaap:AssetsLeasedToOthersMember2019-12-310000813762iep:OtherFinancingLeasesMember2019-12-310000813762iep:MachineryEquipmentAndFurnitureMember2019-12-310000813762iep:FerrousResourcesMemberiep:MiningsegmentMember2020-01-012020-12-310000813762iep:AriMember2018-12-052018-12-050000813762iep:TropicanaMember2018-10-012018-10-010000813762iep:FederalMogulMember2018-10-012018-10-010000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:ParentMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:NoncontrollingInterestMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:LimitedPartnerMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:GeneralPartnerMember2020-12-310000813762us-gaap:ParentMember2020-12-310000813762us-gaap:NoncontrollingInterestMember2020-12-310000813762us-gaap:LimitedPartnerMember2020-12-310000813762us-gaap:GeneralPartnerMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:ParentMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:NoncontrollingInterestMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:LimitedPartnerMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:GeneralPartnerMember2019-12-310000813762us-gaap:ParentMember2019-12-310000813762us-gaap:NoncontrollingInterestMember2019-12-310000813762us-gaap:LimitedPartnerMember2019-12-310000813762us-gaap:GeneralPartnerMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:ParentMember2018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:NoncontrollingInterestMember2018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:LimitedPartnerMember2018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:GeneralPartnerMember2018-12-310000813762us-gaap:ParentMember2018-12-310000813762us-gaap:NoncontrollingInterestMember2018-12-310000813762us-gaap:LimitedPartnerMember2018-12-310000813762us-gaap:GeneralPartnerMember2018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:ParentMember2017-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:NoncontrollingInterestMember2017-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:LimitedPartnerMember2017-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:GeneralPartnerMember2017-12-310000813762us-gaap:ParentMember2017-12-310000813762us-gaap:NoncontrollingInterestMember2017-12-310000813762us-gaap:LimitedPartnerMember2017-12-310000813762us-gaap:GeneralPartnerMember2017-12-310000813762us-gaap:ForeignCurrencyGainLossMember2020-01-012020-12-310000813762iep:OtherIncomeLossNotSpecifiedMember2020-01-012020-12-310000813762iep:NonservicepensionandotherpostretirementbenefitsexpenseMember2020-01-012020-12-310000813762iep:LossOnDebtExtinguishmentMember2020-01-012020-12-310000813762iep:IncomelossfromnonconsolidatedaffiliatesMember2020-01-012020-12-310000813762iep:DividendexpenseMember2020-01-012020-12-310000813762us-gaap:ForeignCurrencyGainLossMember2019-01-012019-12-310000813762iep:OtherIncomeLossNotSpecifiedMember2019-01-012019-12-310000813762iep:NonservicepensionandotherpostretirementbenefitsexpenseMember2019-01-012019-12-310000813762iep:LossOnDebtExtinguishmentMember2019-01-012019-12-310000813762iep:IncomelossfromnonconsolidatedaffiliatesMember2019-01-012019-12-310000813762iep:DividendexpenseMember2019-01-012019-12-310000813762us-gaap:ForeignCurrencyGainLossMember2018-01-012018-12-310000813762iep:OtherIncomeLossNotSpecifiedMember2018-01-012018-12-310000813762iep:NonservicepensionandotherpostretirementbenefitsexpenseMember2018-01-012018-12-310000813762iep:IncomelossfromnonconsolidatedaffiliatesMember2018-01-012018-12-310000813762iep:DividendexpenseMember2018-01-012018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:ParentMember2020-01-012020-12-310000813762us-gaap:ParentMember2020-01-012020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:ParentMember2019-01-012019-12-310000813762us-gaap:ParentMember2019-01-012019-12-310000813762iep:VivusMembercountry:US2020-12-310000813762us-gaap:OtherAssetsMember2020-12-310000813762us-gaap:OtherAssetsMember2019-12-310000813762iep:AmericanEntertainmentPropertiesCorpMemberiep:ViskaseCompaniesIncMember2020-12-090000813762iep:AmericanEntertainmentPropertiesCorpMemberiep:ViskaseCompaniesIncMember2020-12-080000813762us-gaap:RevolvingCreditFacilityMemberiep:EnergySegmentMember2020-12-310000813762us-gaap:RevolvingCreditFacilityMemberiep:EnergySegmentMember2019-12-310000813762iep:PublicUnitholdersMember2020-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2020-12-310000813762iep:PublicUnitholdersMember2019-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2019-12-310000813762iep:PublicUnitholdersMember2018-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2018-12-310000813762iep:PublicUnitholdersMember2017-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2017-12-310000813762iep:IcahnEnterprisesHoldingsMemberiep:PrincipalOwnersAndAffiliatesMember2020-01-012020-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2020-01-012020-12-310000813762iep:IcahnEnterprisesHoldingsLimitedPartnersMember2020-01-012020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:SecuritiesSoldNotYetPurchasedMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:DebtMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:AccountsPayableMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:UnrealizedLossOnDerivativeContractsMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:DueToBrokersMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:DeferredTaxLiabilityMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:AccruedExpensesAndOtherLiabilitiesMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:SecuritiesSoldNotYetPurchasedMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:DebtMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:AccountsPayableMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:UnrealizedLossOnDerivativeContractsMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:DueToBrokersMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:DeferredTaxLiabilityMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:AccruedExpensesAndOtherLiabilitiesMember2019-12-310000813762iep:CVRRefiningCreditFacilityMemberiep:EnergySegmentMember2020-12-310000813762iep:CVRRefiningCreditFacilityMemberiep:EnergySegmentMember2019-12-310000813762srt:MinimumMemberiep:RealEstateSegmentMember2020-12-310000813762srt:MaximumMemberiep:RealEstateSegmentMember2020-12-310000813762us-gaap:OtherInvestmentsMemberiep:OtherSegmentsAndHoldingCompanyMember2020-12-310000813762us-gaap:HeldtomaturitySecuritiesMemberiep:OtherSegmentsAndHoldingCompanyMember2020-12-310000813762us-gaap:EquitySecuritiesMemberiep:InvestmentSegmentMember2020-12-310000813762us-gaap:EquityMethodInvestmentsMemberiep:OtherSegmentsAndHoldingCompanyMember2020-12-310000813762us-gaap:DebtSecuritiesMemberiep:InvestmentSegmentMember2020-12-310000813762iep:TechnologyMemberiep:InvestmentSegmentMember2020-12-310000813762iep:IndustrialMemberiep:InvestmentSegmentMember2020-12-310000813762iep:OtherSegmentsAndHoldingCompanyMember2020-12-310000813762us-gaap:OtherInvestmentsMemberiep:OtherSegmentsAndHoldingCompanyMember2019-12-310000813762us-gaap:EquitySecuritiesMemberiep:InvestmentSegmentMember2019-12-310000813762us-gaap:EquityMethodInvestmentsMemberiep:OtherSegmentsAndHoldingCompanyMember2019-12-310000813762us-gaap:DebtSecuritiesMemberiep:InvestmentSegmentMember2019-12-310000813762iep:IndustrialMemberiep:InvestmentSegmentMember2019-12-310000813762iep:OtherSegmentsAndHoldingCompanyMember2019-12-310000813762iep:VivusMembercountry:US2020-01-012020-12-310000813762iep:CvrEnergyIncMemberstpr:KS2019-01-012019-12-310000813762iep:RealEstateSegmentMember2020-01-012020-12-310000813762iep:WestpointHomeLlcMember2020-04-012020-06-300000813762iep:AutomotiveSegmentMember2018-10-012018-12-310000813762iep:FoodPackagingSegmentMember2018-12-310000813762iep:AutomotiveSegmentMember2018-12-310000813762iep:AutomotiveSegmentMember2020-03-310000813762iep:FerrousResourcesMemberiep:MiningsegmentMember2019-01-012019-12-310000813762iep:TropicanaMember2018-10-012018-12-310000813762iep:FederalMogulMember2018-10-012018-12-310000813762iep:AriMember2018-10-012018-12-310000813762iep:RealEstateSegmentMember2018-08-012018-08-310000813762iep:ArlMemberiep:RailcarSegmentMember2018-01-012018-12-310000813762iep:VivusMembersrt:MinimumMemberus-gaap:DevelopedTechnologyRightsMemberiep:PharmaSegmentMember2020-01-012020-12-310000813762iep:VivusMembersrt:MaximumMemberus-gaap:DevelopedTechnologyRightsMemberiep:PharmaSegmentMember2020-01-012020-12-310000813762us-gaap:InProcessResearchAndDevelopmentMember2020-01-012020-12-310000813762us-gaap:DevelopedTechnologyRightsMember2020-01-012020-12-310000813762us-gaap:UnclassifiedIndefinitelivedIntangibleAssetsMember2020-12-310000813762us-gaap:DevelopedTechnologyRightsMember2020-12-310000813762us-gaap:CustomerRelationshipsMember2020-12-310000813762us-gaap:UnclassifiedIndefinitelivedIntangibleAssetsMember2019-12-310000813762us-gaap:DevelopedTechnologyRightsMember2019-12-310000813762us-gaap:CustomerRelationshipsMember2019-12-310000813762iep:UtilitiesMemberiep:InvestmentSegmentMember2020-12-310000813762iep:EnergySectorMemberiep:InvestmentSegmentMember2020-12-310000813762iep:ConsumerNonCyclicalMemberiep:InvestmentSegmentMember2020-12-310000813762iep:ConsumerCyclicalMemberiep:InvestmentSegmentMember2020-12-310000813762iep:TechnologyMemberiep:InvestmentSegmentMember2019-12-310000813762iep:FinancialMemberiep:InvestmentSegmentMember2019-12-310000813762iep:EnergySectorMemberiep:InvestmentSegmentMember2019-12-310000813762iep:ConsumerNonCyclicalMemberiep:InvestmentSegmentMember2019-12-310000813762iep:ConsumerCyclicalMemberiep:InvestmentSegmentMember2019-12-310000813762iep:CommunicationMemberiep:InvestmentSegmentMember2019-12-310000813762iep:BasicMaterialsMemberiep:InvestmentSegmentMember2019-12-310000813762us-gaap:DebtMember2020-12-310000813762us-gaap:DebtMember2019-12-310000813762us-gaap:PropertyPlantAndEquipmentMember2020-12-310000813762us-gaap:PropertyPlantAndEquipmentMember2019-12-310000813762us-gaap:FairValueInputsLevel3Memberus-gaap:FairValueMeasurementsRecurringMember2018-12-310000813762us-gaap:FairValueInputsLevel3Memberus-gaap:FairValueMeasurementsRecurringMember2019-01-012019-12-310000813762iep:OtherSegmentsAndHoldingCompanyMember2020-01-012020-12-310000813762iep:OtherSegmentsAndHoldingCompanyMember2019-01-012019-12-310000813762iep:OtherSegmentsAndHoldingCompanyMember2018-01-012018-12-310000813762iep:HerbalifeMember2021-01-310000813762iep:CaesarsMember2020-12-310000813762iep:HerbalifeMember2020-08-310000813762iep:HertzMember2020-06-300000813762iep:A2022NotesMemberiep:HoldingCompanyMember2020-01-012020-12-310000813762iep:PublicUnitholdersMember2020-01-012020-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2020-01-012020-12-310000813762iep:PublicUnitholdersMember2019-01-012019-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2019-01-012019-12-310000813762iep:PublicUnitholdersMember2018-01-012018-12-310000813762iep:PrincipalOwnersAndAffiliatesMember2018-01-012018-12-310000813762us-gaap:SubsequentEventMember2021-02-242021-02-240000813762srt:ParentCompanyMember2018-01-012018-12-310000813762us-gaap:ForwardContractsMemberus-gaap:NondesignatedMemberiep:EnergySegmentMember2020-12-310000813762us-gaap:CreditDefaultSwapMemberus-gaap:NondesignatedMemberiep:EnergySegmentMember2020-12-310000813762us-gaap:CreditDefaultSwapMemberiep:InvestmentSegmentMember2020-12-310000813762us-gaap:CreditDefaultSwapMemberiep:InvestmentSegmentMember2019-12-310000813762iep:CommoditycontractsnotconsideredprobableofsettlementMemberus-gaap:NondesignatedMemberiep:EnergySegmentMember2020-01-012020-12-310000813762iep:CommoditycontractsnotconsideredprobableofsettlementMemberus-gaap:NondesignatedMemberiep:EnergySegmentMember2019-01-012019-12-310000813762us-gaap:NondesignatedMemberus-gaap:CostOfGoodsTotalMemberiep:EnergySegmentMember2020-01-012020-12-310000813762us-gaap:NondesignatedMemberiep:NetGainFromInvestmentActivitiesMember2020-01-012020-12-310000813762us-gaap:EquityContractMemberus-gaap:NondesignatedMember2020-01-012020-12-310000813762us-gaap:CreditRiskContractMemberus-gaap:NondesignatedMember2020-01-012020-12-310000813762us-gaap:NondesignatedMemberus-gaap:CostOfGoodsTotalMemberiep:EnergySegmentMember2019-01-012019-12-310000813762us-gaap:NondesignatedMemberiep:NetGainFromInvestmentActivitiesMember2019-01-012019-12-310000813762us-gaap:EquityContractMemberus-gaap:NondesignatedMember2019-01-012019-12-310000813762us-gaap:CreditRiskContractMemberus-gaap:NondesignatedMember2019-01-012019-12-310000813762us-gaap:CommodityContractMemberus-gaap:NondesignatedMember2019-01-012019-12-310000813762us-gaap:NondesignatedMemberus-gaap:CostOfGoodsTotalMemberiep:EnergySegmentMember2018-01-012018-12-310000813762us-gaap:NondesignatedMemberiep:NetGainFromInvestmentActivitiesMember2018-01-012018-12-310000813762us-gaap:EquityContractMemberus-gaap:NondesignatedMember2018-01-012018-12-310000813762us-gaap:CreditRiskContractMemberus-gaap:NondesignatedMember2018-01-012018-12-310000813762us-gaap:CommodityContractMemberus-gaap:NondesignatedMember2018-01-012018-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMemberus-gaap:EquityContractMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2020-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMemberus-gaap:CreditRiskContractMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2020-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMemberus-gaap:EquityContractMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2019-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMemberus-gaap:CreditRiskContractMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2019-12-310000813762us-gaap:OtherAssetsMemberus-gaap:EquityContractMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2020-12-310000813762us-gaap:OtherAssetsMemberus-gaap:CreditRiskContractMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2020-12-310000813762us-gaap:OtherAssetsMemberus-gaap:EquityContractMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2019-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2020-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2019-12-310000813762iep:AcfMember2020-12-310000813762us-gaap:SovereignDebtStateGovernmentUnspecifiedMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:SovereignDebtStateGovernmentUnspecifiedMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:MutualFundMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:MutualFundMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:ExchangeTradedFundsMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:ExchangeTradedFundsMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:CommonStockMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:CommonStockMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:CashAndCashEquivalentsMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:CashAndCashEquivalentsMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:SovereignDebtStateGovernmentUnspecifiedMemberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:MutualFundMemberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:ExchangeTradedFundsMemberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:CommonStockMemberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:CashAndCashEquivalentsMemberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:SovereignDebtStateGovernmentUnspecifiedMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:SovereignDebtStateGovernmentUnspecifiedMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:MutualFundMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:MutualFundMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:ExchangeTradedFundsMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:ExchangeTradedFundsMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:CommonStockMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:CommonStockMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:CashAndCashEquivalentsMemberus-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:CashAndCashEquivalentsMemberus-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:SovereignDebtStateGovernmentUnspecifiedMemberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:MutualFundMemberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:ExchangeTradedFundsMemberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:CommonStockMemberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:CashAndCashEquivalentsMemberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:PensionPlansDefinedBenefitMember2018-12-310000813762us-gaap:PensionPlansDefinedBenefitMember2018-01-012018-12-310000813762us-gaap:PensionPlansDefinedBenefitMember2020-01-012020-12-310000813762us-gaap:PensionPlansDefinedBenefitMember2019-01-012019-12-310000813762iep:AmericanEntertainmentPropertiesCorpMember2019-12-310000813762iep:AmericanEntertainmentPropertiesCorpMemberus-gaap:ForeignCountryMember2020-12-310000813762srt:ParentCompanyMemberiep:A2022NotesMember2020-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2022NotesMember2020-12-310000813762iep:ViskasecreditfacilityMemberiep:FoodPackagingSegmentMember2020-12-310000813762iep:A2022NotesMemberiep:HoldingCompanyMember2020-12-310000813762iep:ViskasecreditfacilityMemberiep:FoodPackagingSegmentMember2019-12-310000813762iep:A2020NotesMemberiep:HoldingCompanyMember2019-06-300000813762iep:A2020NotesMemberiep:HoldingCompanyMember2019-05-310000813762iep:NewNotesDue20259Memberiep:HoldingCompanyMemberus-gaap:SubsequentEventMember2021-01-310000813762iep:New2022NotesMemberiep:HoldingCompanyMemberus-gaap:SubsequentEventMember2021-01-310000813762iep:NewNotesDue2028Memberiep:EnergySegmentMember2020-12-310000813762iep:NewNotesDue2025Memberiep:EnergySegmentMember2020-12-310000813762iep:IEPAutoCreditFacilityMemberiep:AutomotiveSegmentMember2020-12-310000813762iep:CVRPartners2023NotesMemberiep:EnergySegmentMember2020-12-310000813762iep:CVR2028NotesMemberiep:EnergySegmentMember2020-12-310000813762iep:CVR2025NotesMemberiep:EnergySegmentMember2020-12-310000813762iep:CVR2022NotesMemberiep:EnergySegmentMember2020-12-310000813762us-gaap:RevolvingCreditFacilityMemberiep:TermLoanMember2020-10-310000813762iep:A4.7502024NotesMemberMemberiep:HoldingCompanyMember2020-01-310000813762iep:IEPAutoCreditFacilityMemberiep:AutomotiveSegmentMember2019-12-310000813762iep:A4.7502024NotesMemberMemberiep:HoldingCompanyMember2019-09-300000813762iep:A2026NotesMemberiep:HoldingCompanyMember2019-06-300000813762iep:A2026NotesMemberiep:HoldingCompanyMember2019-05-310000813762iep:New2022NotesMemberiep:HoldingCompanyMember2017-12-310000813762iep:A2025NotesMemberiep:HoldingCompanyMember2017-12-310000813762iep:New2022NotesMemberiep:HoldingCompanyMember2017-01-310000813762iep:A2024NotesMemberiep:HoldingCompanyMember2017-01-310000813762srt:ParentCompanyMemberiep:New2024NotesMember2020-12-310000813762srt:ParentCompanyMemberiep:New2022NotesMember2020-12-310000813762srt:ParentCompanyMemberiep:A2027NotesMember2020-12-310000813762srt:ParentCompanyMemberiep:A2026NotesMember2020-12-310000813762srt:ParentCompanyMemberiep:A2025NotesMember2020-12-310000813762srt:ParentCompanyMemberiep:A2024NotesMember2020-12-310000813762srt:GuarantorSubsidiariesMemberiep:New2024NotesMember2020-12-310000813762srt:GuarantorSubsidiariesMemberiep:New2022NotesMember2020-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2027NotesMember2020-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2026NotesMember2020-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2025NotesMember2020-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2024NotesMember2020-12-310000813762iep:NewNotes2027Memberiep:HoldingCompanyMember2020-12-310000813762iep:New2022NotesMemberiep:HoldingCompanyMember2020-12-310000813762iep:A4.7502024NotesMemberMemberiep:HoldingCompanyMember2020-12-310000813762iep:A2026NotesMemberiep:HoldingCompanyMember2020-12-310000813762iep:A2025NotesMemberiep:HoldingCompanyMember2020-12-310000813762iep:A2024NotesMemberiep:HoldingCompanyMember2020-12-310000813762iep:ReportingSegmentsMember2020-12-310000813762srt:ParentCompanyMemberiep:New2024NotesMember2019-12-310000813762srt:ParentCompanyMemberiep:New2022NotesMember2019-12-310000813762srt:ParentCompanyMemberiep:A2027NotesMember2019-12-310000813762srt:ParentCompanyMemberiep:A2026NotesMember2019-12-310000813762srt:ParentCompanyMemberiep:A2025NotesMember2019-12-310000813762srt:ParentCompanyMemberiep:A2024NotesMember2019-12-310000813762srt:ParentCompanyMemberiep:A2022NotesMember2019-12-310000813762srt:GuarantorSubsidiariesMemberiep:New2024NotesMember2019-12-310000813762srt:GuarantorSubsidiariesMemberiep:New2022NotesMember2019-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2027NotesMember2019-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2026NotesMember2019-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2025NotesMember2019-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2024NotesMember2019-12-310000813762srt:GuarantorSubsidiariesMemberiep:A2022NotesMember2019-12-310000813762iep:NewNotes2027Memberiep:HoldingCompanyMember2019-12-310000813762iep:New2022NotesMemberiep:HoldingCompanyMember2019-12-310000813762iep:A4.7502024NotesMemberMemberiep:HoldingCompanyMember2019-12-310000813762iep:A2026NotesMemberiep:HoldingCompanyMember2019-12-310000813762iep:A2025NotesMemberiep:HoldingCompanyMember2019-12-310000813762iep:A2024NotesMemberiep:HoldingCompanyMember2019-12-310000813762iep:A2022NotesMemberiep:HoldingCompanyMember2019-12-310000813762iep:ReportingSegmentsMember2019-12-310000813762us-gaap:ForeignCountryMember2020-01-012020-12-310000813762us-gaap:DomesticCountryMember2020-01-012020-12-310000813762us-gaap:ForeignCountryMember2019-01-012019-12-310000813762us-gaap:DomesticCountryMember2019-01-012019-12-310000813762us-gaap:ForeignCountryMember2018-01-012018-12-310000813762us-gaap:DomesticCountryMember2018-01-012018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:ParentMember2018-01-012018-12-310000813762us-gaap:ParentMember2018-01-012018-12-310000813762iep:InvestmentSegmentMember2019-01-012019-12-310000813762iep:HoldingCompanyMember2019-01-012019-12-310000813762iep:InvestmentSegmentMember2018-01-012018-12-310000813762iep:HoldingCompanyMember2018-01-012018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:LimitedPartnerMember2020-01-012020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:GeneralPartnerMember2020-01-012020-12-310000813762us-gaap:LimitedPartnerMember2020-01-012020-12-310000813762us-gaap:GeneralPartnerMember2020-01-012020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:LimitedPartnerMember2019-01-012019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:GeneralPartnerMember2019-01-012019-12-310000813762us-gaap:LimitedPartnerMember2019-01-012019-12-310000813762us-gaap:GeneralPartnerMember2019-01-012019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:LimitedPartnerMember2018-01-012018-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:GeneralPartnerMember2018-01-012018-12-310000813762us-gaap:LimitedPartnerMember2018-01-012018-12-310000813762us-gaap:GeneralPartnerMember2018-01-012018-12-310000813762srt:GuarantorSubsidiariesMember2019-01-012019-12-310000813762srt:GuarantorSubsidiariesMember2018-01-012018-12-310000813762srt:GuarantorSubsidiariesMember2018-12-310000813762iep:IcahnEnterprisesHoldingsMember2018-12-3100008137622018-12-310000813762srt:GuarantorSubsidiariesMember2017-12-310000813762iep:IcahnEnterprisesHoldingsMember2017-12-3100008137622017-12-310000813762iep:CvrEnergyIncMemberiep:EnergySegmentMember2018-08-012018-08-010000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:PropertyPlantAndEquipmentMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:OtherAssetsMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:InvestmentsMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:InventoriesMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:CashAndCashEquivalentsMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:UnrealizedGainOnDerivativeContractsMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:IntangibleAssetsNetMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:DueFromBrokerMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:CashHeldAtConsolidatedAffiliatedPartnershipsAndRestrictedCashMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:AccountsReceivableNetMember2020-12-310000813762iep:HertzMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:PropertyPlantAndEquipmentMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:OtherAssetsMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:InvestmentsMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:InventoriesMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberus-gaap:CashAndCashEquivalentsMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:UnrealizedGainOnDerivativeContractsMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:IntangibleAssetsNetMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:DueFromBrokerMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:CashHeldAtConsolidatedAffiliatedPartnershipsAndRestrictedCashMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:VariableInterestEntityPrimaryBeneficiaryMemberiep:AccountsReceivableNetMember2019-12-3100008137622017-01-012017-12-310000813762srt:ParentCompanyMember2020-12-310000813762srt:GuarantorSubsidiariesMember2020-12-310000813762srt:ParentCompanyMember2019-12-310000813762srt:GuarantorSubsidiariesMember2019-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMember2020-12-310000813762iep:AccruedExpensesAndOtherLiabilitiesMember2019-12-310000813762iep:CaesarsMember2020-01-012020-12-310000813762iep:CaesarsMember2019-01-012019-12-310000813762us-gaap:OtherAssetsMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2020-12-310000813762us-gaap:OtherAssetsMemberus-gaap:NondesignatedMemberiep:EnergySegmentMember2020-12-310000813762us-gaap:OtherAssetsMemberus-gaap:NondesignatedMemberiep:InvestmentSegmentMember2019-12-310000813762us-gaap:OtherAssetsMemberus-gaap:NondesignatedMemberiep:EnergySegmentMember2019-12-310000813762srt:MinimumMemberiep:RefineriesMemberiep:EnergySegmentMember2020-01-012020-12-310000813762srt:MinimumMemberiep:NitrogenFertilizerPlantsMemberiep:EnergySegmentMember2020-01-012020-12-310000813762srt:MaximumMemberiep:RefineriesMemberiep:EnergySegmentMember2020-01-012020-12-310000813762srt:MaximumMemberiep:NitrogenFertilizerPlantsMemberiep:EnergySegmentMember2020-01-012020-12-310000813762iep:InvestmentFundsMember2020-12-310000813762iep:InvestmentFundsMember2019-12-310000813762iep:RestrictedDepositaryUnitsMemberiep:IncentivePlan2017Member2020-10-012020-10-010000813762iep:BrettIcahnMember2020-01-012020-12-310000813762iep:AutomotivepartsMember2018-10-012018-12-3100008137622019-05-022019-05-020000813762iep:InvestmentinfundsMemberiep:PrincipalOwnersAndAffiliatesMember2020-12-310000813762iep:InvestmentinfundsMemberiep:PrincipalOwnersAndAffiliatesMember2019-12-310000813762iep:CvrRefiningLpMemberiep:EnergySegmentMember2019-01-292019-01-290000813762iep:BrettIcahnMemberiep:PublicUnitholdersMember2020-01-012020-12-310000813762iep:BrettIcahnMemberiep:PrincipalOwnersAndAffiliatesMember2020-01-012020-12-310000813762iep:StarfireHoldingCorporationMember2020-12-310000813762iep:PharmaSegmentMember2020-12-310000813762iep:MetalsSegmentMember2020-12-310000813762iep:InvestmentSegmentMember2020-12-310000813762iep:HomeFashionSegmentMember2020-12-310000813762iep:HoldingCompanyMember2020-12-310000813762iep:FoodPackagingSegmentMember2020-12-310000813762iep:AutomotiveSegmentMember2020-12-310000813762iep:RealEstateSegmentMember2019-12-310000813762iep:MetalsSegmentMember2019-12-310000813762iep:InvestmentSegmentMember2019-12-310000813762iep:HomeFashionSegmentMember2019-12-310000813762iep:HoldingCompanyMember2019-12-310000813762iep:FoodPackagingSegmentMember2019-12-310000813762iep:AutomotiveSegmentMember2019-12-310000813762iep:VivusMemberus-gaap:DevelopedTechnologyRightsMemberiep:PharmaSegmentMember2020-01-012020-12-310000813762iep:VivusMemberiep:PharmaSegmentMember2020-01-012020-12-310000813762us-gaap:EquityContractMemberiep:InvestmentSegmentMember2020-12-310000813762us-gaap:CreditRiskContractMemberiep:InvestmentSegmentMember2020-12-310000813762us-gaap:EquityContractMemberiep:InvestmentSegmentMember2019-12-310000813762us-gaap:CreditRiskContractMemberiep:InvestmentSegmentMember2019-12-310000813762iep:SegmentgeographicOtherMember2020-01-012020-12-310000813762country:US2020-01-012020-12-310000813762iep:SegmentgeographicOtherMember2019-01-012019-12-310000813762country:US2019-01-012019-12-310000813762iep:SegmentgeographicOtherMember2018-01-012018-12-310000813762country:US2018-01-012018-12-310000813762srt:ParentCompanyMember2019-01-012019-12-310000813762iep:IcahnEnterprisesHoldingsMember2020-01-012020-12-310000813762iep:IcahnEnterprisesGPMember2020-01-012020-12-310000813762iep:RealEstateSegmentMember2020-12-310000813762us-gaap:FairValueInputsLevel3Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:FairValueInputsLevel3Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:FairValueInputsLevel1Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:NoncontrollingInterestMember2020-01-012020-12-310000813762us-gaap:NoncontrollingInterestMember2020-01-012020-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:NoncontrollingInterestMember2019-01-012019-12-310000813762us-gaap:NoncontrollingInterestMember2019-01-012019-12-310000813762iep:IcahnEnterprisesHoldingsMemberus-gaap:NoncontrollingInterestMember2018-01-012018-12-310000813762us-gaap:NoncontrollingInterestMember2018-01-012018-12-310000813762iep:A767LeasingMemberiep:AutomotiveSegmentMember2020-12-310000813762iep:A767LeasingMemberiep:AutomotiveSegmentMember2019-12-310000813762iep:A767LeasingMemberiep:AutomotiveSegmentMember2020-01-012020-12-310000813762iep:A767LeasingMemberiep:AutomotiveSegmentMember2019-01-012019-12-310000813762iep:A767LeasingMemberiep:AutomotiveSegmentMember2018-01-012018-12-310000813762srt:ParentCompanyMember2020-01-012020-12-310000813762iep:HerbalifeMember2020-12-310000813762iep:HertzMember2019-12-310000813762iep:HerbalifeMember2019-12-310000813762iep:CaesarsMember2019-12-310000813762us-gaap:FairValueInputsLevel3Memberus-gaap:FairValueMeasurementsRecurringMember2020-01-012020-12-310000813762iep:IcahnEnterprisesHoldingsMember2020-12-310000813762iep:IcahnEnterprisesHoldingsMember2019-12-310000813762us-gaap:DiscontinuedOperationsHeldForSaleOrDisposedOfBySaleMemberiep:TropicanaMember2018-01-012018-12-310000813762us-gaap:DiscontinuedOperationsHeldForSaleOrDisposedOfBySaleMemberiep:FederalMogulMember2018-01-012018-12-310000813762us-gaap:DiscontinuedOperationsHeldForSaleOrDisposedOfBySaleMemberiep:AmericanRailcarIndustriesMember2018-01-012018-12-310000813762us-gaap:DiscontinuedOperationsHeldForSaleOrDisposedOfBySaleMember2018-01-012018-12-310000813762us-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:PensionPlansDefinedBenefitMember2020-12-310000813762us-gaap:FairValueMeasurementsRecurringMember2020-12-310000813762us-gaap:FairValueInputsLevel2Memberus-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762us-gaap:PensionPlansDefinedBenefitMember2019-12-310000813762us-gaap:FairValueMeasurementsRecurringMember2019-12-310000813762srt:GuarantorSubsidiariesMember2020-01-012020-12-310000813762iep:RailcarSegmentMember2018-01-012018-12-310000813762iep:RealEstateSegmentMember2020-01-012020-12-310000813762iep:RailcarSegmentMember2020-01-012020-12-310000813762iep:PharmaSegmentMember2020-01-012020-12-310000813762iep:MiningsegmentMember2020-01-012020-12-310000813762iep:MetalsSegmentMember2020-01-012020-12-310000813762iep:InvestmentSegmentMember2020-01-012020-12-310000813762iep:HomeFashionSegmentMember2020-01-012020-12-310000813762iep:HoldingCompanyMember2020-01-012020-12-310000813762iep:HertzMember2020-01-012020-12-310000813762iep:HerbalifeMember2020-01-012020-12-310000813762iep:FoodPackagingSegmentMember2020-01-012020-12-310000813762iep:AutomotiveSegmentMember2020-01-012020-12-310000813762iep:RealEstateSegmentMember2019-01-012019-12-310000813762iep:MiningsegmentMember2019-01-012019-12-310000813762iep:MetalsSegmentMember2019-01-012019-12-310000813762iep:IcahnEnterprisesHoldingsMember2019-01-012019-12-310000813762iep:HomeFashionSegmentMember2019-01-012019-12-310000813762iep:HertzMember2019-01-012019-12-310000813762iep:HerbalifeMember2019-01-012019-12-310000813762iep:FoodPackagingSegmentMember2019-01-012019-12-310000813762iep:AutomotiveSegmentMember2019-01-012019-12-3100008137622019-01-012019-12-310000813762iep:RealEstateSegmentMember2018-01-012018-12-310000813762iep:MiningsegmentMember2018-01-012018-12-310000813762iep:MetalsSegmentMember2018-01-012018-12-310000813762iep:IcahnEnterprisesHoldingsMember2018-01-012018-12-310000813762iep:HomeFashionSegmentMember2018-01-012018-12-310000813762iep:HertzMember2018-01-012018-12-310000813762iep:HerbalifeMember2018-01-012018-12-310000813762iep:FoodPackagingSegmentMember2018-01-012018-12-310000813762iep:AutomotiveSegmentMember2018-01-012018-12-3100008137622018-01-012018-12-310000813762iep:ViskaseMemberiep:FoodPackagingSegmentMember2018-01-012018-01-310000813762iep:FederalMogulMember2018-10-010000813762iep:CvrRefiningLpMemberiep:EnergySegmentMember2018-08-012018-08-010000813762iep:VivusMemberiep:PharmaSegmentMember2020-12-310000813762iep:EnergySegmentMember2020-12-310000813762iep:EnergySegmentMember2019-12-310000813762iep:EnergySegmentMember2020-01-012020-12-310000813762iep:EnergySegmentMember2019-01-012019-12-310000813762iep:EnergySegmentMember2018-01-012018-12-310000813762iep:FerrousResourcesMemberiep:MiningsegmentMember2018-12-050000813762iep:ArlMemberiep:RailcarSegmentMember2018-12-310000813762iep:TropicanaMember2018-10-0100008137622020-10-012020-12-3100008137622020-07-012020-09-3000008137622020-04-012020-06-3000008137622020-01-012020-03-310000813762iep:IcahnEnterprisesGPMemberiep:PrincipalOwnersAndAffiliatesMember2020-01-012020-12-3100008137622020-12-3100008137622019-12-3100008137622020-06-3000008137622021-02-260000813762iep:IcahnEnterprisesHoldingsMember2020-01-012020-12-3100008137622020-01-012020-12-31xbrli:sharesiso4217:USDxbrli:pureiep:itemutr:bbliso4217:USDxbrli:shares

[Table of Contents](#TOC)

**UNITED STATES** **SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-K**

(Mark one)

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

**For the Fiscal Year Ended December 31, 2020**

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

**For the Transition Period from to**

|  |  |  |  |
| --- | --- | --- | --- |
| ​ | ​  ​ | ​ | ​ |
| (Commission File Number) | (Exact Name of Registrant as Specified in Its Charter)  (Address of Principal Executive Offices) (Zip Code)  (Telephone Number) | (State or Other Jurisdiction of Incorporation or Organization) | (IRS Employer Identification No.) |
| **1-9516** | **ICAHN ENTERPRISES L.P.** | **Delaware** | **13-3398766** |

**16690 Collins Avenue, PH-1**

**Sunny Isles Beach, FL 33160**

**(305) 422-4100**

|  |  |  |  |
| --- | --- | --- | --- |
| ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ |
| **333-118021-01** | **ICAHN ENTERPRISES HOLDINGS L.P.** | **Delaware** | **13-3398767** |

**16690 Collins Avenue, PH-1**

**Sunny Isles Beach, FL 33160**

**(305) 422-4100**

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ |
| **Title of Each Class** |  | **Trading Symbol(s)** |  | **Name of Each Exchange on Which Registered** |
| Depositary Units of Icahn Enterprises L.P.  Representing Limited Partner Interests | ​ | IEP |  | Nasdaq Global Select Market |

​

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act.

|  |  |  |
| --- | --- | --- |
| ​ | ​ | ​ |
| Icahn Enterprises L.P. Yes ⌧ No ◻ |  | Icahn Enterprises Holdings L.P. Yes ◻ No ⌧ |

​

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act.

|  |  |  |
| --- | --- | --- |
| ​ | ​ | ​ |
| Icahn Enterprises L.P. Yes ◻ No ⌧ |  | Icahn Enterprises Holdings L.P. Yes ◻ No ⌧ |

​

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

|  |  |  |
| --- | --- | --- |
| ​ | ​ | ​ |
| Icahn Enterprises L.P. Yes ⌧ No ◻ |  | Icahn Enterprises Holdings L.P. Yes ⌧ No ◻ |

​

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

|  |  |  |
| --- | --- | --- |
| ​ | ​ | ​ |
| Icahn Enterprises L.P. Yes ⌧ No ◻ |  | Icahn Enterprises Holdings L.P. Yes ⌧ No ◻ |

​

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

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Icahn Enterprises L.P. | | | | |  | Icahn Enterprises Holdings L.P. | | | | |
| Large Accelerated Filer | **⌧** | Accelerated Filer | **◻** | ​ | ​ | Large Accelerated Filer | **◻** | Accelerated Filer | **◻** | ​ |
| Non-accelerated Filer | **◻** | Smaller Reporting Company | | **☐** | ​ | Non-accelerated Filer | ⌧ | Smaller Reporting Company | | **☐** |
| Emerging Growth Company**◻** | | | | | ​ | Emerging Growth Company**◻** | | | | |

​

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ⌧

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

|  |  |
| --- | --- |
| ​ | ​ |
| Icahn Enterprises L.P. Yes ◻ No ⌧ | Icahn Enterprises Holdings L.P. Yes ◻ No ⌧ |

​

The aggregate market value of Icahn Enterprises’ depositary units held by non-affiliates of the registrant as of June 30, 2020, the last business day of the registrant’s most recently completed second fiscal quarter, based upon the closing price of depositary units on the Nasdaq Global Select Market (“Nasdaq”) on such date was $860 million. As of February 26, 2021, there were 241,338,835 of Icahn Enterprises’ depositary units outstanding.

​

​

[Table of Contents](#TOC)

**EXPLANATORY NOTE**

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

**FORWARD-LOOKING STATEMENTS**

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

Forward-looking statements include certain statements made under the caption, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” under Item 7 of this Report, but also forward-looking statements that appear in other parts of this Report. Forward-looking statements reflect our current views with respect to future events and are based on certain assumptions and are subject to risks and uncertainties that could cause our actual results to differ materially from trends, plans, or expectations set forth in the forward-looking statements. These risks and uncertainties may include the risks and uncertainties described elsewhere in this Report, including under the caption “Risk Factors,” under Item 1A of this Report. Additionally, there may be other factors not presently known to us or which we currently consider to be immaterial that may cause our actual results to differ materially from the forward-looking statements.

​

​

i

[Table of Contents](#TOC)

**SUMMARY RISK FACTORS**

*Investing in our securities involves certain risks. Before investing in any of our securities, you should carefully consider the following summary of the principal factors that make an investment in our securities speculative or risky as well as the risks described under the caption “Risk Factors,” under Item 1A of this Report. If any of these risks actually occurs, it could have a material adverse effect on our businesses. The risks described below and under the caption “Risk Factors,” under Item 1A of this Report are not the only risks that affect our businesses. Additional risks that are unknown or not presently deemed significant may also have a material adverse effect on our businesses. The following is a summary of our risk factors that appear in Item 1A of this Report.*

**Risks Relating to Our Structure**

|  |  |  |
| --- | --- | --- |
|  | ● | Our general partner, and its control person, has significant influence over us; |

|  |  |  |
| --- | --- | --- |
|  | ● | We have engaged, and in the future may engage, in transactions with our affiliates; |

|  |  |  |
| --- | --- | --- |
|  | ● | We are subject to the risk of becoming an investment company; |

|  |  |  |
| --- | --- | --- |
|  | ● | We may structure transactions in a less advantageous manner to avoid becoming subject to the Investment Company Act; |

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

|  |  |  |
| --- | --- | --- |
|  | ● | We may be negatively impacted by the potential for changes in tax laws; |

|  |  |  |
| --- | --- | --- |
|  | ● | Holders of depositary units may be required to pay tax on their share of our income even if they did not receive cash distributions from us; |

|  |  |  |
| --- | --- | --- |
|  | ● | Tax gain or loss on the disposition of our depositary units could be more or less than expected; |

|  |  |  |
| --- | --- | --- |
|  | ● | Tax-exempt entities may recognize unrelated business taxable income they receive from holding our units, and may face other unique issues specific to their U.S. federal income tax classification; |

|  |  |  |
| --- | --- | --- |
|  | ● | Non-U.S. persons face unique tax issues from owning units that may result in adverse tax consequences to them, including being subject to withholding regimes and U.S. federal income tax on certain income they may earn from holding our units; |

|  |  |  |
| --- | --- | --- |
|  | ● | We may be liable for any underwithholding by nominees of our distributions made after January 2022; |

|  |  |  |
| --- | --- | --- |
|  | ● | Our unitholders likely will be subject to state and local taxes and return filing or withholding requirements in states in which they do not live as a result of investing in our units; |

|  |  |  |
| --- | --- | --- |
|  | ● | We prorate our items of income, gain, loss and deduction between transferors and transferees of our units based upon the ownership of our units at the close of business on the last day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders; |

|  |  |  |
| --- | --- | --- |
|  | ● | A unitholder whose units are loaned to a “short seller” to cover a short sale of units may be considered as having disposed of those units. If so, such unitholder would no longer be treated for U.S. federal income tax purposes as a partner with respect to those units during the period of the loan and may recognize gain or loss from the disposition; |

|  |  |  |
| --- | --- | --- |
|  | ● | If the IRS makes audit adjustments to our income tax returns for tax years beginning after 2017, it (and some states) may collect any resulting taxes (including any applicable penalties and interest) directly from us, in which case our cash available to service debt or pay distributions to our unitholders, if and when resumed, could be substantially reduced; |

|  |  |  |
| --- | --- | --- |
|  | ● | We may be subject to the pension liabilities of our affiliates; |

|  |  |  |
| --- | --- | --- |
|  | ● | We are a limited partnership and a ‘‘controlled company’’ within the meaning of the Nasdaq rules and as such are exempt from certain corporate governance requirements; |

|  |  |  |
| --- | --- | --- |
|  | ● | Certain members of our management team may be involved in other business activities that may involve conflicts of interest; |

|  |  |  |
| --- | --- | --- |
|  | ● | Holders of Icahn Enterprises’ depositary units have limited voting rights, including rights to participate in our management; |

|  |  |  |
| --- | --- | --- |
|  | ● | Holders of Icahn Enterprises’ depositary units may not have limited liability in certain circumstances and may be personally liable for the return of distributions that cause our liabilities to exceed our assets; and |

|  |  |  |
| --- | --- | --- |
|  | ● | Since we are a limited partnership, you may not be able to pursue legal claims against us in U.S. federal courts. |

​

​

ii

[Table of Contents](#TOC)

​

**Risks Relating to Liquidity and Capital Requirements**

|  |  |  |
| --- | --- | --- |
|  | ● | We are a holding company and depend on the businesses of our subsidiaries to satisfy our obligations; |

|  |  |  |
| --- | --- | --- |
|  | ● | To service our indebtedness, we will require a significant amount of cash. Our ability to maintain our current cash position or generate cash depends on many factors beyond our control; |

|  |  |  |
| --- | --- | --- |
|  | ● | Our failure to comply with the covenants contained under any of our debt instruments, including the indentures governing our senior unsecured notes (including our failure to comply as a result of events beyond our control), could result in an event of default that would materially and adversely affect our financial condition; |

|  |  |  |
| --- | --- | --- |
|  | ● | We may not have sufficient funds necessary to finance a change of control offer that may be required by the indentures governing our senior notes; |

|  |  |  |
| --- | --- | --- |
|  | ● | We have made significant investments in the Investment Funds and negative performance of the Investment Funds may result in a significant decline in the value of our investments; and |

|  |  |  |
| --- | --- | --- |
|  | ● | Future cash distributions to Icahn Enterprises’ unitholders, if any, can be affected by numerous factors. |

​

**Risks Relating to Our Investment Segment**

|  |  |  |
| --- | --- | --- |
|  | ● | Our investments may be subject to significant uncertainties; |

|  |  |  |
| --- | --- | --- |
|  | ● | The historical financial information for the Investment Funds is not necessarily indicative of its future performance; |

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

|  |  |  |
| --- | --- | --- |
|  | ● | We may not be able to identify suitable investments, and our investments may not result in favorable returns or may result in losses; |

|  |  |  |
| --- | --- | --- |
|  | ● | Successful execution of our activist investment activities involves many risks, certain of which are outside of our control; |

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds make investments in companies we do not control; |

|  |  |  |
| --- | --- | --- |
|  | ● | The use of leverage in investments by the Investment Funds may pose a significant degree of risk and may enhance the possibility of significant loss in the value of the investments in the Investment Funds; |

|  |  |  |
| --- | --- | --- |
|  | ● | The possibility of increased regulation could result in additional burdens on our Investment segment; |

|  |  |  |
| --- | --- | --- |
|  | ● | The ability to hedge investments successfully is subject to numerous risks; |

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds invest in distressed securities, as well as bank loans, asset backed securities and mortgage backed securities; and |

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds may invest in companies that are based outside of the United States, which may expose the Investment Funds to additional risks not typically associated with investing in companies that are based in the United States. |

​

**Risks Relating to our Consolidated Operating Subsidiaries**

Our consolidated operating subsidiaries are subject to various risks, including but not limited to:

|  |  |  |
| --- | --- | --- |
|  | ● | Changes in regulations and regulatory actions; |

|  |  |  |
| --- | --- | --- |
|  | ● | Operational disruptions, damage to property, injury to persons or environmental and legal liability; |

|  |  |  |
| --- | --- | --- |
|  | ● | Environmental laws and regulations; |

|  |  |  |
| --- | --- | --- |
|  | ● | Volatility of commodity prices; |

|  |  |  |
| --- | --- | --- |
|  | ● | Compliance with the U.S. Environmental Protection Agency Renewable Fuel Standard; |

|  |  |  |
| --- | --- | --- |
|  | ● | Climate change laws and regulations; |

|  |  |  |
| --- | --- | --- |
|  | ● | Operations in foreign countries; and |

|  |  |  |
| --- | --- | --- |
|  | ● | Significant labor disputes involving any of our businesses or one or more of their customers or suppliers. |

​

**​**

​

​

iii

[Table of Contents](#TOC)

**ICAHN ENTERPRISES L.P.**

**ICAHN ENTERPRISES HOLDINGS L.P.**

**TABLE OF CONTENTS**

|  |  |  |
| --- | --- | --- |
| ​ | ​ | **Page No**. |
| ​ | [**PART I**](#PARTI_913001) | ​ |
| Item 1. | [Business](#Item1Business_683799) | 1 |
| Item 1A. | [Risk Factors](#Item1ARiskFactors_232091) | 7 |
| Item 1B. | [Unresolved Staff Comments](#Item1BUnresolvedStaffComments_887340) | 27 |
| Item 2. | [Properties](#Item2Properties_65482) | 27 |
| Item 3. | [Legal Proceedings](#Item3LegalProceedings_718175) | 28 |
| Item 4. | [Mine Safety Disclosures](#Item4MineSafetyDisclosures_184198) | 28 |
| ​ | ​ | ​ |
| ​ | [**PART II**](#PARTII_623845) | ​ |
| Item 5. | [Market for Registrant’s Common Equity, Related Security Holder Matters and Issuer Purchases of Equity Securities](#Item5MarketforRegistrantsCommonEquityRe) | 29 |
| Item 6. | [Selected Financial Data](#Item6SelectedFinancialData) | 29 |
| Item 7. | [Management’s Discussion and Analysis of Financial Condition and Results of Operations](#Item7ManagementsDiscussionandAnalysisof) | 30 |
| Item 7A. | [Quantitative and Qualitative Disclosures about Market Risk](#Item7AQuantitativeandQualitativeDisclos) | 52 |
| Item 8. | [Financial Statements and Supplementary Data](#Item8FinancialStatementsandSupplementar) | 55 |
| Item 9. | [Changes In and Disagreements With Accountants on Accounting and Financial Disclosure](#Item9ChangesInandDisagreementsWithAccou) | 123 |
| Item 9A | [Controls and Procedures](#Item9AControlsandProcedures_361524) | 123 |
| Item 9B. | [Other Information](#Item9BOtherInformation_186097) | 125 |
| ​ | ​ | ​ |
| ​ | [**PART III**](#PARTIII_200542) | ​ |
| Item 10. | [Directors, Executive Officers and Corporate Governance](#Item10DirectorsExecutiveOfficersandCorp) | 125 |
| Item 11. | [Executive Compensation](#Item11ExecutiveCompensation_557069) | 130 |
| Item 12. | [Security Ownership of Certain Beneficial Owners and Management and Related Security Holder Matters](#Item12SecurityOwnershipofCertainBenefic) | 138 |
| Item 13. | [Certain Relationships and Related Transactions, and Director Independence](#Item13CertainRelationshipsandRelatedTra) | 139 |
| Item 14. | [Principal Accountant Fees and Services](#Item14PrincipalAccountantFeesandService) | 142 |
| ​ | ​ | ​ |
| ​ | [**PART IV**](#PARTIV_693017) | ​ |
| Item 15. | [Exhibits and Financial Statement Schedules](#Item15ExhibitsandFinancialStatementSche) | 143 |
| Item 16. | [Form 10-K Summary](#Item16Form10KSummary_621161) | 143 |

​

​

​

​

​

iv

[Table of Contents](#TOC)

**PART I**

**​**

**Item 1. Business**

**Business Overview**

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

Icahn Enterprises owns a 99% limited partner interest in Icahn Enterprises Holdings. Icahn Enterprises G.P. Inc. (“Icahn Enterprises GP”), which is indirectly owned and controlled by Mr. Carl C. Icahn, owns a 1% general partner interest in each of Icahn Enterprises and Icahn Enterprises Holdings as of December 31, 2020. Icahn Enterprises Holdings and its subsidiaries own substantially all of our assets and liabilities and conduct substantially all of our operations. Therefore, the financial results of Icahn Enterprises and Icahn Enterprises Holdings are substantially the same, with differences relating primarily to the allocation of the general partner interest, which is reflected as an aggregate 1.99% general partner interest in the financial statements of Icahn Enterprises. Mr. Icahn and his affiliates owned approximately 92% of Icahn Enterprises’ outstanding depositary units as of December 31, 2020.

We are a diversified holding company owning subsidiaries engaged in the following operating businesses: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate, Home Fashion and, as of December 2020, Pharma.

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

Our business strategy and core strengths, and certain other business developments, are not disclosed in this Report since they are not materially different from prior disclosures, as described in [Item 1 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as filed with the Securities and Exchange Commission (“SEC”) on February 28, 2020, and which is incorporated by reference herein](https://www.sec.gov/ix?doc=/Archives/edgar/data/813762/000081376220000008/iep-20191231.htm).

**Business Description**

Icahn Enterprises began as American Real Estate Partners L.P. in 1987 and currently operates a portfolio of eight diversified reporting segments. With the exception of our Investment segment, our operating segments primarily comprise independently operated businesses that we have obtained a controlling interest in through execution of our business strategy. Our Investment segment derives revenues from gains and losses from investment transactions. Our other operating segments derive revenues principally from net sales of various products, primarily within our Energy and Automotive segments, which together accounted for the significant majority of our consolidated net sales for each of the three years in the period ended December 31, 2020. Our other operating segments’ revenues are also derived through various other revenue streams which primarily consists of automotive services and real estate leasing operations. The majority of our consolidated revenues are derived from customers in the United States. Our Food Packaging segment, and prior to August 2019, our Mining segment, accounted for the majority of our consolidated revenues derived from customers outside the United States.

1

[Table of Contents](#TOC)

***Holding Company***

We seek to invest our available cash and cash equivalents in liquid investments with a view to enhancing returns as we continue to assess further acquisitions of, or investments in, operating businesses. As of December 31, 2020, we had investments with a fair market value of approximately $4.3 billion in the Investment Funds, as defined below. In addition, as of December 31, 2020, our Holding Company had various other investments, primarily equity investments, aggregating $366 million.

***Investment***

Our Investment segment is comprised of various private investment funds (“Investment Funds”) in which we have general partner interests and through which we invest our proprietary capital. We, certain of Mr. Icahn’s wholly-owned affiliates and Brett Icahn, son of Mr. Icahn, are the sole investors in the Investment Funds. As general partner, we provide investment advisory and certain administrative and back office services to the Investment Funds but do not provide such services to any other entities, individuals or accounts. Interests in the Investment Funds are not offered to outside investors.

*Investment Strategy*

The investment strategy of the Investment Funds is set and led by Mr. Icahn. The Investment Funds seek to acquire securities in companies that trade at a discount to inherent value as determined by various metrics, including replacement cost, break-up value, cash flow and earnings power and liquidation value.

The Investment Funds utilize a process-oriented, research-intensive, value-based investment approach. This approach generally involves three critical steps: (i) fundamental credit, valuation and capital structure analysis; (ii) intense legal and tax analysis of fulcrum issues such as litigation and regulation that often affect valuation; and (iii) combined business valuation analysis and legal and tax review to establish a strategy for gaining an attractive risk-adjusted investment position. This approach focuses on exploiting market dislocations or misjudgments that may result from market euphoria, litigation, complex contingent liabilities, corporate malfeasance and weak corporate governance, general economic conditions or market cycles and complex and inappropriate capital structures.

The Investment Funds often act as activist investors ready to take the steps necessary to seek to unlock value, including through tender offers, proxy contests and demands for management accountability. The Investment Funds may employ a number of strategies and are permitted to invest across a variety of industries and types of securities, including long and short equities, long and short bonds, bank debt and other corporate obligations, options, swaps and other derivative instruments thereof, risk arbitrage and capital structure arbitrage and other special situations. The Investment Funds invest a material portion of their capital in publicly traded equity and debt securities of companies that they believe to be undervalued by the marketplace. The Investment Funds often take significant positions in the companies in which they invest.

*Income*

Our Investment segment’s income or loss is driven by the amount of funds allocated to the Investment Funds and the performance of the underlying investments in the Investment Funds. Funds allocated to the Investment Funds are based on the net contributions and redemptions by our Holding Company, by Mr. Icahn and his affiliates and by Brett Icahn.

*Affiliate Investments*

We and Mr. Icahn, along with the Investment Funds, have entered into a covered affiliate agreement, which was amended on March 31, 2011, pursuant to which Mr. Icahn agreed (on behalf of himself and certain of his affiliates, excluding Icahn Enterprises, Icahn Enterprises Holdings and their subsidiaries) to be bound by certain restrictions on their investments in any assets that we deem suitable for the Investment Funds, other than government and agency bonds and cash equivalents, unless otherwise approved by our Audit Committee. In addition, Mr. Icahn and such affiliates

2

[Table of Contents](#TOC)

continue to have the right to co-invest with the Investment Funds. We have no interest in, nor do we generate any income from, any such co-investments, which have been and may continue to be substantial.

***Energy***

We conduct our Energy segment through our majority owned subsidiary, CVR Energy, Inc. (“CVR Energy”). CVR Energy is headquartered in Sugar Land, Texas. CVR Energy is a reporting company under the Exchange Act and files annual, quarterly and current reports, proxy statements and other information with the SEC that are publicly available.

CVR Energy is a diversified holding company primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing businesses through its holdings in CVR Refining, LP (“CVR Refining”) and CVR Partners, LP (“CVR Partners”), respectively. CVR Refining is an independent petroleum refiner and marketer of high value transportation fuels. CVR Partners produces and markets nitrogen fertilizers in the form of ammonia and urea ammonium nitrate (“UAN”). CVR Energy has a general partner interest in each of CVR Refining and CVR Partners. In addition, CVR Energy is the sole limited partner of CVR Refining and owns 36% of the outstanding common units of CVR Partners as of December 31, 2020.

As of December 31, 2020, we owned approximately 71% of the total outstanding common stock of CVR Energy.

Our Energy segment’s net sales for the years ended December 31, 2020, 2019 and 2018 represented approximately 58%, 65% and 67%, respectively, of our consolidated net sales, primarily from the sale of its petroleum products.

*Products, Raw Materials and Supply*

CVR Refining has the capability to process a variety of crude oil blends. CVR Refining’s oil refineries in Coffeyville, Kansas and Wynnewood, Oklahoma have a combined capacity of 206,500 barrels per day. In addition to the use of third-party pipelines for the supply of crude oil, CVR Refining has an extensive gathering system consisting of logistics assets that are owned, leased or part of a joint venture operation. Petroleum refining product yield includes gasoline, diesel fuel, pet coke and other refined products such as natural gas liquids, asphalt and jet fuel among other products.

CVR Partners produces and distributes nitrogen fertilizer products, which are used by farmers to improve the yield and quality of their crops. The principal products are UAN and ammonia. CVR Partners’ Coffeyville, Kansas facility uses pet coke to produce nitrogen fertilizer and is supplied primarily by its adjacent crude oil refinery pursuant to a renewable long-term agreement with CVR Refining. Historically, the Coffeyville nitrogen fertilizer plant has obtained the remainder of its pet coke requirements from third parties such as other Midwestern refineries or pet coke brokers at spot-prices. CVR Partners’ East Dubuque, Illinois facility uses natural gas to produce nitrogen fertilizer. The East Dubuque facility is able to purchase natural gas at competitive prices due to its connection to the Norther Natural Gas interstate pipeline system, which is within one mile of the facility, and the ANR Pipeline Company pipeline.

*Environmental Regulations*

CVR Energy’s petroleum and nitrogen fertilizer businesses are subject to extensive and frequently changing federal, state and local, environmental, health and safety laws and regulations governing the emission and release of hazardous substances into the environment, the treatment and discharge of waste water, and the storage, handling, use and transportation of petroleum and nitrogen products, and the characteristics and composition of gasoline, diesel fuels, UAN and ammonia. These laws and regulations, their underlying regulatory requirements, and the enforcement thereof, impact the petroleum business and operations and the nitrogen fertilizer business and operations by imposing:

|  |  |  |
| --- | --- | --- |
|  | ● | restrictions on operations or the need to install enhanced or additional controls; |

|  |  |  |
| --- | --- | --- |
|  | ● | liability for the investigation and remediation of contaminated soil and groundwater at current and former facilities (if any) and for off-site waste disposal locations; and |

3

[Table of Contents](#TOC)

|  |  |  |
| --- | --- | --- |
|  | ● | specifications for the products marketed by the petroleum business and the nitrogen fertilizer business, primarily gasoline, diesel fuel, UAN and ammonia. |

CVR Energy’s operations require numerous permits, licenses and authorizations. Failure to comply with these permits or environmental laws and regulations could result in fines, penalties or other sanctions or a revocation of CVR Energy’s permits. In addition, the laws and regulations to which CVR Energy is subject to are often evolving and many of them have become more stringent or have become subject to more stringent interpretation or enforcement by federal or state agencies. These laws and regulations could result in increased capital, operating and compliance costs.

CVR Energy’s businesses are also subject to, or impacted by, various other environmental laws and regulations such as the federal Clean Air Act, the federal Clean Water Act, release reporting requirements relating to the release of hazardous substances into the environment, certain fuel regulations, renewable fuel standards, as discussed below, and various other laws and regulations.

*Renewable Fuel Standards*

CVR Refining is subject to the renewable fuel standards which requires refiners to either blend “renewable fuels” with their transportation fuels or purchase renewable fuel credits, known as renewable identification numbers, in lieu of blending. See Item 1A, “Risk Factors” and Note 18, “Commitments and Contingencies,” to the consolidated financial statements for further discussion.

***Automotive***

We conduct our Automotive segment through our wholly owned subsidiary, Icahn Automotive Group LLC (“Icahn Automotive”). Icahn Automotive is headquartered in Kennesaw, Georgia.

Icahn Automotive was formed by us to invest in and operate businesses involved in automotive repair and maintenance services (“automotive services”) as well as the distribution and sale of automotive aftermarket parts and accessories to end-user do-it-yourself customers, wholesale distributors, and professional auto mechanics (“aftermarket parts”). Icahn Automotive’s automotive services and aftermarket parts businesses serve different customer channels and have distinct strategies, opportunities and requirements. As a result, the board of directors of Icahn Automotive has approved the separation of its aftermarket parts and automotive services businesses into two independent operating companies, each with its own Chief Executive Officer and management teams, and both of which are supported by a central shared service group. Our Automotive segment also includes our separate equity method investment in 767 Auto Leasing, LLC (“767 Leasing”), a joint venture created by us to purchase vehicles for lease. Although 767 Leasing is separate from Icahn Automotive, we include it as a component of our Automotive segment due to the nature of the joint venture activities.

Our Automotive segment’s net sales for the years ended December 31, 2020, 2019 and 2018 represented approximately 28%, 24% and 22%, respectively, of our consolidated net sales.

*Products, Services and Customers*

The automotive aftermarket industry is in the mature stage of its life cycle. Over the past decade, consumers have moved away from do-it-yourself (retail) toward do-it-for-me (services) due to increasing vehicle complexity and electronic content, as well as decreasing availability of diagnostic equipment and know-how. Consistent with this long-term trend, Icahn Automotive’s long-term strategy is to grow its commercial parts sales to automotive services businesses as well to grow its own automotive service business, while maintaining its retail parts customer bases by offering the newest and broadest product assortment in the automotive aftermarket. Icahn Automotive provides its customers with access to over two million replacement parts for domestic and imported vehicles through an extensive network of suppliers. Icahn Automotive seeks to provide (i) an extensive selection of product offerings, (ii) competitive pricing, (iii) exceptional in-store service experience and (iv) superior delivery to its customers.

4

[Table of Contents](#TOC)

*Suppliers*

Icahn Automotive purchases parts from manufacturers and other distributors for sale in the aftermarket. Purchases are made based on current inventory or operational needs and are fulfilled by suppliers within short periods of time. During 2020, Icahn Automotive’s ten largest suppliers accounted for approximately 51% of the merchandise purchased and its two largest suppliers accounted for more than 25% of the merchandise purchased. Icahn Automotive believes that the relationships that it has established with its suppliers are generally positive. In the past, Icahn Automotive has not experienced difficulty in obtaining satisfactory sources of supply and it believes that adequate alternative sources of supply exist, at similar cost, for the types of merchandise sold in its stores.

***Other Operating Segments***

*Food Packaging*

We conduct our Food Packaging segment through our majority owned subsidiary, Viskase Companies, Inc. (“Viskase”). Viskase is a producer of cellulosic, fibrous and plastic casings used to prepare and package processed meat products. Approximately 70% of Viskase’s net sales during 2020 were derived from customers outside the United States.

In October 2020, Viskase completed an equity private placement whereby we acquired an additional 50,000,000 shares of Viskase common stock for $100 million. In connection with this transaction, our ownership of Viskase increased from approximately 79% to 89%.

*Metals*

We conduct our Metals segment through our wholly owned subsidiary, PSC Metals, LLC (“PSC Metals”). PSC Metals is principally engaged in the business of collecting, processing and selling ferrous and non-ferrous metals, as well as the processing and distribution of steel pipe and plate products. PSC Metals collects industrial and obsolete scrap metal, processes it into reusable forms and supplies the recycled metals to its customers. PSC Metals’ operations consist of 31 recycling yards, three secondary plate storage and distribution centers and one secondary pipe storage and distribution center located throughout the Midwestern and Southeastern United States.

*Real Estate*

Our Real Estate segment consists primarily of investment properties, the development and sale of single-family homes and the management of a country club. Our Real Estate segment also owns a hotel and timeshare resort in Aruba and a property in Atlantic City, New Jersey.

*Home Fashion*

We conduct our Home Fashion segment through our wholly owned subsidiary, WestPoint Home LLC (“WPH”). WPH’s business consists of manufacturing, sourcing, marketing, distributing and selling home fashion consumer products. WPH’s operations include a manufacturing and distribution facility in Chipley, Florida and a manufacturing facility in Bahrain, both of which are owned facilities.

*Pharma*

We conduct our Pharma segment through our wholly owned subsidiary, Vivus, Inc. (“Vivus”). We acquired all of the outstanding common stock of Vivus in December 2020 upon its emergence from bankruptcy. Prior to Vivus’ emergence from bankruptcy, we held an investment in all of Vivus’ convertible corporate debt securities as well as all of its other outstanding debt. Vivus is a specialty pharmaceutical company with two approved therapies and one product candidate in active clinical development.

5

[Table of Contents](#TOC)

**Employees**

We have an aggregate of 33 employees at our Holding Company and Investment segment. Our other reporting segments employ an aggregate of approximately 23,800 employees, of which approximately 70% are employed within our Automotive segment, 11% are employed with our Food Packaging segment and less than 10% at each of our other segments. Approximately 17% of our employees are employed internationally, primarily within our Food Packaging and Home Fashion segments.

**Available Information**

Icahn Enterprises maintains a website at *www.ielp.com*. We provide access to our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to those reports free of charge through this website as soon as reasonably practicable after such material is electronically filed with the SEC. Paper copies of annual and periodic reports filed with the SEC may be obtained free of charge upon written request by contacting our headquarters at the address located on the front cover of this report or under Investor Relations on our website. In addition, our corporate governance guidelines, including Code of Ethics and Business Conduct and Audit Committee Charter, are available on our website (under Corporate Governance) and are available in print without charge to any stockholder requesting them. The SEC maintains a website that contains reports, information statements, and other information regarding issuers like us who file electronically with the SEC. The SEC’s website is located at *www.sec.gov*.

​

6

[Table of Contents](#TOC)

**Item 1A. Risk Factors**

*Investing in our securities involves certain risks. Before investing in any of our securities, you should carefully consider the following risks. If any of these risks actually occurs, it could have a material adverse effect on our business. The risks described below are not the only risks that affect our businesses. Additional risks that are unknown or not presently deemed significant may also have a material adverse effect on our businesses.*

**Risks Relating to Our Structure**

***Our general partner, and its control person, has significant influence over us.***

Mr. Icahn, through affiliates, owns 100% of Icahn Enterprises GP, the general partner of Icahn Enterprises and Icahn Enterprises Holdings, and approximately 92% of Icahn Enterprises’ outstanding depositary units as of December 31, 2020, and, as a result, has the ability to influence many aspects of our operations and affairs.

Mr. Icahn’s estate has been designed to assure the stability and continuation of Icahn Enterprises with no need to monetize his interests for estate tax or other purposes. In the event of Mr. Icahn’s death, control of Mr. Icahn’s interests in Icahn Enterprises and its general partner will be placed in charitable and other trusts under the control of senior Icahn Enterprises’ executives and Icahn family members. However, there can be no assurance that such planning will be effective.

***We have engaged, and in the future may engage, in transactions with our affiliates.***

We have invested and may in the future invest in entities in which Mr. Icahn also invests. We also have purchased and may in the future purchase entities or investments from him or his affiliates. Although Icahn Enterprises GP has never received fees in connection with our investments, our partnership agreement allows for the payment of these fees. Mr. Icahn may pursue other business opportunities in industries in which we compete and there is no requirement that any additional business opportunities be presented to us. We continuously identify, evaluate and engage in discussions concerning potential investments and acquisitions, including potential investments in and acquisitions of affiliates of Mr. Icahn. There cannot be any assurance that any potential transactions that we consider will be completed.

***We are subject to the risk of becoming an investment company.***

Because we are a holding company and a significant portion of our assets may, from time to time, consist of investments in companies in which we own less than a 50% interest, we run the risk of inadvertently becoming an investment company that is required to register under the Investment Company Act. Events beyond our control, including significant appreciation or depreciation in the market value of certain of our publicly traded holdings or adverse developments with respect to our ownership of certain of our subsidiaries, could result in our inadvertently becoming an investment company that is required to register under the Investment Company Act. Transactions involving the sale of certain assets could result in our being considered an investment company. Following such events or transactions, an exemption under the Investment Company Act would provide us up to one year to take steps to avoid becoming classified as an investment company. We expect to take steps to avoid becoming classified as an investment company, but no assurance can be made that we will successfully be able to take the steps necessary to avoid becoming classified as an investment company.

If we are unsuccessful, then we will be required to register as a registered investment company and will be subject to extensive, restrictive and potentially adverse regulations relating to, among other things, operating methods, management, capital structure, dividends and transactions with affiliates. Registered investment companies are not permitted to operate their business in the manner in which we currently operate our business, nor are registered investment companies permitted to have many of the relationships that we have with our affiliated companies. In addition, if we become required to register under the Investment Company Act, it is likely that we would be treated as a corporation for U.S. federal income tax purposes and would be subject to the tax consequences described below under the caption, “We may become taxable as a corporation if we are no longer treated as a partnership for federal income tax purposes.”

7

[Table of Contents](#TOC)

If it were established that we were an investment company and did not register as an investment company when required to do so, there would be a risk, among other material adverse consequences, that we could become subject to monetary penalties or injunctive relief, or both, in an action brought by the SEC, that we would be unable to enforce contracts with third parties or that third parties could seek to obtain rescission of transactions with us undertaken during the period it was established that we were an unregistered investment company.

***We may structure transactions in a less advantageous manner to avoid becoming subject to the Investment Company Act.***

In order not to become an investment company required to register under the Investment Company Act, we monitor the value of our investments and structure transactions with an eye toward the Investment Company Act. As a result, we may structure transactions in a less advantageous manner than if we did not have Investment Company Act concerns, or we may avoid otherwise economically desirable transactions due to those concerns.

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

We believe that we have been and are properly treated as a partnership for U.S. federal income tax purposes. This allows us to pass through our income and deductions to our partners. However, the Internal Revenue Service (“IRS”) could challenge our partnership status and we could fail to qualify as a partnership for past years as well as future years. Qualification as a partnership involves the application of highly technical and complex provisions of the Internal Revenue Code, as amended. For example, a publicly traded partnership is generally taxable as a corporation unless 90% or more of its gross income is “qualifying” income, which includes interest, dividends, oil and gas revenues, real property rents, gains from the sale or other disposition of real property, gain from the sale or other disposition of capital assets held for the production of interest or dividends, and certain other items. We believe that in all prior years of our existence at least 90% of our gross income was “qualifying” income and we intend to structure our business in a manner such that at least 90% of our gross income will constitute “qualifying” income this year and in the future. However, there can be no assurance that such structuring will be effective in all events to avoid the receipt of more than 10% of non-qualifying income. If less than 90% of our gross income constitutes “qualifying” income, we may be subject to corporate tax on our net income plus possible state taxes. Further, if less than 90% of our gross income constituted “qualifying” income for past years, we may be subject to corporate level tax plus interest and possibly penalties. In addition, if we become required to register under the Investment Company Act, it is likely that we would be treated as a corporation for U.S. federal income tax purposes. The cost of paying federal and possibly state income tax, either for past years or going forward could be a significant liability and would reduce our funds available to make distributions to holders of units, and to make interest and principal payments on our debt securities. To meet the “qualifying” income test, we may structure transactions in a manner which is less advantageous than if this were not a consideration, or we may avoid otherwise economically desirable transactions.

***We may be negatively impacted by the potential for changes in tax laws.***

Our investment strategy considers various tax related impacts. Past or future legislative proposals have been or may be introduced that, if enacted, could have a material and adverse effect on us. For example, past proposals have included taxing publicly traded partnerships, such as us, as corporations and introducing substantive changes to the definition of “qualifying” income, which could make it more difficult or impossible to for us to meet the exception that allows publicly traded partnerships generating “qualifying” income to be treated as partnerships (rather than corporations) for U.S. federal income tax purposes. We currently cannot predict the outcome of such legislative proposals, including, if enacted, their impact on our operations and financial position.

***Holders of depositary units may be required to pay tax on their share of our income even if they did not receive cash distributions from us.***

Because we are treated as a partnership for income tax purposes, unitholders generally are required to pay U.S. federal income tax, and, in some cases, state or local income tax, on the portion of our taxable income allocated to them, whether or not such income is distributed. Accordingly, it is possible that holders of depositary units may not receive

8

[Table of Contents](#TOC)

cash distributions from us equal to their share of our taxable income, or even equal to their tax liability on the portion of our income allocated to them.

***Tax gain or loss on the disposition of our depositary units could be more or less than expected.***

If our unitholders sell their units, they will recognize a gain or loss equal to the difference between the amount realized and their tax basis in those units. Any distributions to our unitholders that were in excess of the total net taxable income our unitholders were allocated for a unit decreased their tax basis in that unit. As a result of the reduced basis, a unitholder will recognize a greater amount of income if the unit is later sold for an amount greater than such unit’s basis. A portion of the amount realized, whether or not representing gain, may be ordinary income to the selling unitholder due to potential recapture items. In addition, because the amount realized includes a unitholder’s share of our nonrecourse liabilities, a unitholder who sells units may incur a tax liability in excess of the amount of cash received from the sale.

***Tax-exempt entities may recognize unrelated business taxable income they receive from holding our units, and may face other unique issues specific to their U.S. federal income tax classification.***

Investment in units by tax-exempt entities, such as individual retirement accounts (known as IRAs), pension plans, and non-U.S. persons raises issues unique to them. For example, some portion of our income allocated to organizations exempt from U.S. federal income tax, particularly income arising from our debt-financed transactions, will likely be unrelated business taxable income and will be taxable to them.

***Non-U.S. persons face unique tax issues from owning units that may result in adverse tax consequences to them, including being subject to withholding regimes and U.S. federal income tax on certain income they may earn from holding our units.***

Distributions to non-U.S. persons will be reduced by withholding taxes at the highest applicable effective tax rate, and non-U.S. persons will be required to file U.S. federal income tax returns and pay tax on their share of our taxable income.

In addition, under proposed Treasury regulations that are not currently applicable to us, the transferee of depositary units may be required to deduct and withhold a tax equal to 10% of the amount realized (or deemed realized) on the sale or exchange of such depositary units. The requirement to withhold on amounts realized (or deemed realized) in connection with the sale or exchange of certain interests in a publicly traded partnership (including by brokers) is suspended under Notice 2018-08 for transfers that occur before January 1, 2022, and therefore, no withholding will apply. On November 30, 2020, however, the IRS published final regulations (the “1446 Final Regulations”) that address withholding tax and information reporting with respect to interests in publicly traded partnerships engaged in a U.S. trade or business. The 1446 Final Regulations end the suspension of withholding on the sale or exchange of certain interests in a publicly traded partnership, effective on January 1, 2022, but place the primary responsibility for such withholding obligations for transfers effected through brokers on the broker, and not the publicly traded partnership. However, a publicly traded partnership may be liable for any underwithholding by a broker that relies on a qualified notice for which the publicly traded partnership failed to make a reasonable estimate of the amounts required for determining the applicability of the “10 percent exception.” The “10 percent exception” applies if, either (1) the publicly traded partnership was not engaged in a U.S. trade or business during a specified time period, or (2) upon a hypothetical sale of the publicly traded partnership’s assets at fair market value, (i) the amount of net gain that would have been effectively connected with the conduct of a U.S. trade or business would be less than 10% of the total net gain, or (ii) no gain would have been effectively connected with the conduct of a U.S. trade or business.

***We may be liable for any underwithholding by nominees on our distributions made after January 1, 2022.***

Under the 1446 Final Regulations, for distributions made after January 1, 2022, a publicly traded partnership must post on its primary public website (and keep accessible for ten years), and deliver to any registered holder that is a nominee, a qualified notice that states the amount of a distribution that is attributable to each type of income group specified in the 1446 Final Regulations. If the qualified notice is incorrect such that it causes a broker to underwithhold

9

[Table of Contents](#TOC)

with respect to an amount in excess of cumulative net income, the publicly traded partnership is liable for any underwithholding on such amount.

***Our unitholders likely will be subject to state and local taxes and return filing or withholding requirements in states in which they do not live as a result of investing in our units.***

In addition to U.S. federal income taxes, our unitholders will likely be subject to other taxes, such as state and local income taxes, unincorporated business taxes and estate, inheritance, or intangible taxes that are imposed by the various jurisdictions in which we do business or own property. Our unitholders may be required to file state and local income tax returns and pay state and local income taxes in certain of these various jurisdictions. Further, our unitholders may be subject to penalties for failure to comply with those requirements. We own property and conduct business in Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Massachusetts, Missouri, Nebraska, Nevada, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island and Texas. It is each unitholder’s responsibility to file all federal, state and local tax returns. Our counsel has not rendered an opinion on the state and local tax consequences of an investment in our units.

***We prorate our items of income, gain, loss and deduction between transferors and transferees of our units based upon the ownership of our units at the close of business on the last day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders.***

We prorate our items of income, gain, loss and deduction between transferors and transferees of our units based upon the ownership of our units on the first business day of each month, instead of on the basis of the date a particular unit is transferred. The U.S. Treasury Department adopted final Treasury regulations that provide that publicly traded partnerships may use a similar monthly simplifying convention to allocate tax items among transferor and transferee unitholders. Nonetheless, the final regulations do not specifically authorize the use of the proration method we have adopted. If the IRS were to challenge this method, we may be required to change the allocation of items of income, gain, loss and deduction among our unitholders.

***A unitholder whose units are loaned to a “short seller” to cover a short sale of units may be considered as having disposed of those units. If so, such unitholder would no longer be treated for U.S. federal income tax purposes as a partner with respect to those units during the period of the loan and may recognize gain or loss from the disposition.***

Because a unitholder whose units are loaned to a “short seller” to cover a short sale of units may be considered as having disposed of the loaned units, he or she may no longer be treated for U.S. federal income tax purposes as a partner with respect to those units during the period of the loan to the short seller and the unitholder may recognize gain or loss from such disposition. Moreover, during the period of the loan to the short seller, any of our income, gain, loss or deduction with respect to those units may not be reportable by the unitholder and any cash distributions received by the unitholder as to those units could be fully taxable as ordinary income. Our counsel has not rendered an opinion regarding the treatment of a unitholder where units are loaned to a short seller to cover a short sale of units; therefore, unitholders desiring to assure their status as partners and avoid the risk of gain recognition from a loan to a short seller are urged to modify any applicable brokerage account agreements to prohibit their brokers from borrowing their units.

***If the IRS makes audit adjustments to our income tax returns for tax years beginning after 2017, it (and some states) may collect any resulting taxes (including any applicable penalties and interest) directly from us, in which case our cash available to service debt or pay distributions to our unitholders, if and when resumed, could be substantially reduced.***

With respect to tax years beginning after December 31, 2017, if the IRS makes audit adjustments to our income tax returns, it (and some states) may assess and collect any resulting taxes (including any applicable penalties and interest) resulting from such audit adjustment directly from us. Generally, we will have the option to seek to collect tax liability from our unitholders in accordance with their percentage interests during the year under audit, but there can be no assurance that we will elect to do so or be able to do so under all circumstances. If we do not collect such tax liability from our unitholders in accordance with their percentage interests in the tax year under audit, our net income and the available cash for quarterly distributions to current unitholders may be substantially reduced. Accordingly, our current

10

[Table of Contents](#TOC)

unitholders may bear some or all of the tax liability resulting from such audit adjustment, even if such unitholders did not own units during the tax year under audit. In particular, as a publicly traded partnership, our Partnership Representative (as defined below) may, in certain instances, request that any “imputed underpayment” resulting from an audit be adjusted by amounts of certain of our passive losses. If we successfully make such a request, we would have to reduce suspended passive loss carryovers in a manner which is binding on the partners.

We are required to and have designated a partner, or other person, with a substantial presence in the United States as the partnership representative (“Partnership Representative”). The Partnership Representative will have the sole authority to act on our behalf for purposes of, among other things, U.S. federal income tax audits and judicial review of administrative adjustments by the IRS. Any actions taken by us or by the Partnership Representative on our behalf with respect to, among other things, U.S. federal income tax audits and judicial review of administrative adjustments by the IRS, will be binding on us and our unitholders.

***We may be subject to the pension liabilities of our affiliates.***

Mr. Icahn, through certain affiliates, owns 100% of Icahn Enterprises GP and approximately 92% of Icahn Enterprises’ outstanding depositary units as of December 31, 2020. Applicable pension and tax laws make each member of a “controlled group” of entities, generally defined as entities in which there is at least an 80% common ownership interest, jointly and severally liable for certain pension plan obligations of any member of the controlled group. These pension obligations include ongoing contributions to fund the plan, as well as liability for any unfunded liabilities that may exist at the time the plan is terminated. In addition, the failure to pay these pension obligations when due may result in the creation of liens in favor of the pension plan or the Pension Benefit Guaranty Corporation (the “PBGC”) against the assets of each member of the controlled group.

As a result of the more than 80% ownership interest in us by Mr. Icahn’s affiliates, we and our subsidiaries are subject to the pension liabilities of entities in which Mr. Icahn has a direct or indirect ownership interest of at least 80%, which includes the liabilities of pension plans sponsored by Viskase and ACF Industries LLC (“ACF”). All the minimum funding requirements of the Internal Revenue Code, as amended, and the Employee Retirement Income Security Act of 1974, as amended, for the Viskase and ACF plans have been met as of December 31, 2020. If the plans were voluntarily terminated, they would be underfunded by an aggregate of approximately $122 million as of December 31, 2020. These results are based on the most recent information provided by the plans’ actuaries. These liabilities could increase or decrease, depending on a number of factors, including future changes in benefits, investment returns, and the assumptions used to calculate the liability. As members of the controlled group, we would be liable for any failure of Viskase or ACF to make ongoing pension contributions or to pay the unfunded liabilities upon a termination of the Viskase or ACF pension plans. In addition, other entities now or in the future within the controlled group in which we are included may have pension plan obligations that are, or may become, underfunded and we would be liable for any failure of such entities to make ongoing pension contributions or to pay the unfunded liabilities upon termination of such plans.

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

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

11

[Table of Contents](#TOC)

***We are a limited partnership and a ‘‘controlled company’’ within the meaning of the Nasdaq rules and as such are exempt from certain corporate governance requirements.***

We are a limited partnership and ‘‘controlled company’’ pursuant to Rule 5615(c) of the Nasdaq listing rules. As such we have elected, and intend to continue to elect, not to comply with certain corporate governance requirements of the Nasdaq listing rules, including the requirements that a majority of the board of directors consist of independent directors and that independent directors determine the compensation of executive officers and the selection of nominees to the board of directors. We do not maintain a compensation or nominating committee and do not have a majority of independent directors. Accordingly, while we remain a controlled company and during any transition period following a time when we are no longer a controlled company, the Nasdaq listing rules do not provide the same corporate governance protections applicable to stockholders of companies that are subject to all of the Nasdaq listing requirements.

***Certain members of our management team may be involved in other business activities that may involve conflicts of interest.***

Certain individual members of our management team may, from time to time, be involved in the management of other businesses, including those owned or controlled by Mr. Icahn and his affiliates. Accordingly, these individuals may focus a portion of their time and attention on managing these other businesses. Conflicts may arise in the future between our interests and the interests of the other entities and business activities in which such individuals are involved.

***Holders of Icahn Enterprises’ depositary units have limited voting rights, including rights to participate in our management.***

Our general partner manages and operates Icahn Enterprises. Unlike the holders of common stock in a corporation, holders of Icahn Enterprises’ outstanding depositary units have only limited voting rights on matters affecting our business. Holders of depositary units have no right to elect the general partner on an annual or other continuing basis, and our general partner generally may not be removed except pursuant to the vote of the holders of not less than 75% of the outstanding depositary units. In addition, removal of the general partner may result in a default under the indentures governing our senior notes. As a result, holders of our depositary units have limited say in matters affecting our operations and others may find it difficult to attempt to gain control or influence our activities.

***Holders of Icahn Enterprises’ depositary units may not have limited liability in certain circumstances and may be personally liable for the return of distributions that cause our liabilities to exceed our assets.***

We conduct our businesses through Icahn Enterprises Holdings in several states. Maintenance of limited liability will require compliance with legal requirements of those states. We are the sole limited partner of Icahn Enterprises Holdings. Limitations on the liability of a limited partner for the obligations of a limited partnership have not clearly been established in several states. If it were determined that Icahn Enterprises Holdings has been conducting business in any state without compliance with the applicable limited partnership statute or the possession or exercise of the right by the partnership, as limited partner of Icahn Enterprises Holdings, to remove its general partner, to approve certain amendments to the Icahn Enterprises Holdings partnership agreement or to take other action pursuant to the Icahn Enterprises Holdings partnership agreement, constituted “control” of Icahn Enterprises Holdings’ business for the purposes of the statutes of any relevant state, Icahn Enterprises and/or its unitholders, under certain circumstances, might be held personally liable for Icahn Enterprises Holdings’ obligations to the same extent as our general partner. Further, under the laws of certain states, Icahn Enterprises might be liable for the amount of distributions made to Icahn Enterprises by Icahn Enterprises Holdings.

Holders of Icahn Enterprises’ depositary units may also be required to repay Icahn Enterprises amounts wrongfully distributed to them. Under Delaware law, we may not make a distribution to holders of our depositary units if the distribution causes our liabilities to exceed the fair value of our assets. Liabilities to partners on account of their partnership interests and nonrecourse liabilities are not counted for purposes of determining whether a distribution is permitted. Delaware law provides that a limited partner who receives such a distribution and knew at the time of the distribution that the distribution violated Delaware law will be liable to the limited partnership for the distribution amount for three years from the distribution date.

12

[Table of Contents](#TOC)

Additionally, under Delaware law an assignee who becomes a substituted limited partner of a limited partnership is liable for the obligations, if any, of the assignor to make contributions to the partnership. However, such an assignee is not obligated for liabilities unknown to him or her at the time he or she became a limited partner if the liabilities could not be determined from the partnership agreement.

***Since we are a limited partnership, you may not be able to pursue legal claims against us in U.S. federal courts.***

We are a limited partnership organized under the laws of the state of Delaware. Under the federal rules of civil procedure, you may not be able to sue us in federal court on claims other than those based solely on federal law, because of lack of complete diversity. Case law applying diversity jurisdiction deems us to have the citizenship of each of our limited partners. Because we are a publicly traded limited partnership, it may not be possible for you to sue us in a federal court because we have citizenship in all 50 U.S. states and operations in many states. Accordingly, you will be limited to bringing any claims in state court.

**Risks Relating to Liquidity and Capital Requirements**

***We are a holding company and depend on the businesses of our subsidiaries to satisfy our obligations.***

We are a holding company. In addition to cash and cash equivalents, U.S. government and agency obligations, marketable equity and debt securities and other short-term investments, our assets consist primarily of investments in our subsidiaries. Moreover, if we make significant investments in new operating businesses, it is likely that we will reduce our liquid assets and those of Icahn Enterprises Holdings in order to fund those investments and the ongoing operations of our subsidiaries. Consequently, our cash flow and our ability to meet our debt service obligations and make distributions with respect to depositary units likely will depend on the cash flow of our subsidiaries and the payment of funds to us by our subsidiaries in the form of dividends, distributions, loans or otherwise.

The operating results of our subsidiaries may not be sufficient to make distributions to us. In addition, our subsidiaries are not obligated to make funds available to us and distributions and intercompany transfers from our subsidiaries to us may be restricted by applicable law or covenants contained in debt agreements and other agreements to which these subsidiaries may be subject or enter into in the future.

The terms of certain borrowing agreements of our subsidiaries, or other entities in which we own equity, may restrict dividends, distributions or loans to us. To the degree any distributions and transfers are impaired or prohibited, our ability to make payments on our debt and to make distributions on our depositary units will be limited.

***To service our indebtedness, we will require a significant amount of cash. Our ability to maintain our current cash position or generate cash depends on many factors beyond our control.***

Our ability to make payments on and to refinance our indebtedness, and to fund operations will depend on existing cash balances and our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, regulatory and other factors that are beyond our control. Our current businesses and businesses that we acquire may not generate sufficient cash to service our outstanding indebtedness. In addition, we may not generate sufficient cash flow from operations or investments and future borrowings may not be available to us in an amount sufficient to enable us to service our outstanding indebtedness or to fund our other liquidity needs. We may need to refinance all or a portion of our outstanding indebtedness on or before maturity. We cannot assure you that we will be able to refinance any of our outstanding indebtedness on commercially reasonable terms or at all.

***Our failure to comply with the covenants contained under any of our debt instruments, including the indentures governing our senior unsecured notes (including our failure to comply as a result of events beyond our control), could result in an event of default that would materially and adversely affect our financial condition.***

Our failure to comply with the covenants under any of our debt instruments, including our indentures governing our senior unsecured notes, (including our failure to comply as a result of events beyond our control) may trigger a default or event of default under such instruments. If there were an event of default under one of our debt instruments, the

13

[Table of Contents](#TOC)

holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. In addition, any event of default or declaration of acceleration under one debt instrument could result in an event of default and declaration of acceleration under one or more of our other debt instruments, including the exchange notes. It is possible that, if the defaulted debt is accelerated, our assets and cash flow may not be sufficient to fully repay borrowings under our outstanding debt instruments and we cannot assure you that we would be able to refinance or restructure the payments on those debt securities.

***We may not have sufficient funds necessary to finance a change of control offer that may be required by the indentures governing our senior notes.***

If Mr. Icahn were to sell, or otherwise transfer, some or all of his interests in us to an unrelated party or group, a change of control could be deemed to have occurred under the terms of the indentures governing our senior notes, which would require us to offer to repurchase all outstanding senior notes at 101% of their principal amount plus accrued and unpaid interest and liquidated damages, if any, to the date of repurchase. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of notes.

***We have made significant investments in the Investment Funds and negative performance of the Investment Funds may result in a significant decline in the value of our investments.***

As of December 31, 2020, we had investments in the Investment Funds with a fair market value of approximately $4.3 billion, which may be accessed on short notice to satisfy our liquidity needs. However, if the Investment Funds experience negative performance, the value of these investments will be negatively impacted, which could have a material adverse effect on our operating results, cash flows and financial position.

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

While we made cash distributions to Icahn Enterprises’ unitholders in each of the four quarters of 2020, the payment of future distributions will be determined by the board of directors of Icahn Enterprises GP, our general partner, quarterly, based on a review of a number of factors, including those described below and other factors that it deems relevant at the time that declaration of a distribution is considered.

Our ability to pay distributions will depend on numerous factors, including the availability of adequate cash flow from operations; the proceeds, if any, from divestitures; our capital requirements and other obligations; restrictions contained in our financing arrangements, including the indentures governing our senior notes; and our issuances of additional equity and debt securities. The availability of cash flow in the future depends as well upon events and circumstances outside our control, including prevailing economic and industry conditions and financial, business and similar factors. No assurance can be given that we will be able to make distributions or as to the timing of any distribution. Even if distributions are made, there can be no assurance that holders of depositary units will not be required to recognize taxable income in excess of cash distributions made in respect of the period in which a distribution is made.

**​**

14

[Table of Contents](#TOC)

**Risks Relating to Our Investment Segment**

***Our investments may be subject to significant uncertainties.***

Our investments may not be successful for many reasons, including, but not limited to:

|  |  |  |
| --- | --- | --- |
|  | ● | fluctuations of interest rates; |

|  |  |  |
| --- | --- | --- |
|  | ● | lack of control in minority investments; |

|  |  |  |
| --- | --- | --- |
|  | ● | worsening of general economic and market conditions; |

|  |  |  |
| --- | --- | --- |
|  | ● | lack of diversification; |

|  |  |  |
| --- | --- | --- |
|  | ● | lack of success of the Investment Funds’ activist strategies; |

|  |  |  |
| --- | --- | --- |
|  | ● | fluctuations of U.S. dollar exchange rates; and |

|  |  |  |
| --- | --- | --- |
|  | ● | adverse legal and regulatory developments that may affect particular businesses. |

***The historical financial information for the Investment Funds is not necessarily indicative of its future performance.***

Our Investment segment’s financial information is driven by the amount of funds allocated to the Investment Funds and the performance of the underlying investments in the Investment Funds. Future funds allocated to the Investment Funds may increase or decrease based on the contributions and redemptions by our Holding Company, Mr. Icahn and his affiliates and by Brett Icahn, son of Mr. Icahn. Additionally, historical performance results of the Investment Funds are not indicative of future results as past market conditions, investment opportunities and investment decisions may not occur in the future. Changes in general market conditions coupled with changes in exposure to short and long positions have significant impact on our Investment segment’s results of operations and the comparability of results of operations year over year and as such, future results of operations will be impacted by our future exposures and future market conditions, which may not be consistent with prior trends. Additionally, future returns may be affected by additional risks, including risks of the industries and businesses in which a particular fund invests.

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

Our Investment segment’s revenue depends on the investments made by the Investment Funds. There are numerous and significant risks associated with these investments, certain of which are described in this risk factor and in other risk factors set forth herein.

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

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

As of December 31, 2020, our top five holdings in the Investment Funds had a market value of approximately $5.2 billion, which represented approximately 55% of our assets under management for the Investment Segment. Therefore, a significant decline in the fair market values of our larger positions may have a material adverse impact on our consolidated financial position, results of operations or cash flows and the trading price of our depositary units. Certain

15

[Table of Contents](#TOC)

of the companies in our Investment Funds file annual, quarterly and current reports with the SEC, which are publicly available, and contain additional risk factors with respect to such companies.

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

From time to time, the Investment Funds may invest in bonds or other fixed income securities, such as commercial paper and higher yielding (and, therefore, higher risk) debt securities. It is likely that a major economic recession could severely disrupt the market for such securities and may have a material adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

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

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

***We may not be able to identify suitable investments, and our investments may not result in favorable returns or may result in losses.***

Our partnership agreement allows us to take advantage of investment opportunities we believe exist outside of our operating businesses. The equity securities in which we may invest may include common stock, preferred stock and securities convertible into common stock, as well as warrants to purchase these securities. The debt securities in which we may invest may include bonds, debentures, notes or non-rated mortgage-related securities, municipal obligations, bank debt and mezzanine loans. Certain of these securities may include lower rated or non-rated securities, which may provide the potential for higher yields and therefore may entail higher risk and may include the securities of bankrupt or distressed companies. In addition, we may engage in various investment techniques, including derivatives, options and futures transactions, foreign currency transactions, “short” sales and leveraging for either hedging or other purposes. We may concentrate our activities by owning significant or controlling interests in certain investments. We may not be successful in finding suitable opportunities to invest our cash and our strategy of investing in undervalued assets may expose us to numerous risks.

***Successful execution of our activist investment activities involves many risks, certain of which are outside of our control.***

The success of our investment strategy may require, among other things: (i) that we properly identify companies whose securities prices can be improved through corporate and/or strategic action or successful restructuring of their operations; (ii) that we acquire sufficient securities of such companies at a sufficiently attractive price; (iii) that we avoid triggering anti-takeover and regulatory obstacles while aggregating our positions; (iv) that management of portfolio companies and other security holders respond positively to our proposals; and (v) that the market price of portfolio companies’ securities increases in response to any actions taken by the portfolio companies. We cannot assure you that any of the foregoing will succeed.

16

[Table of Contents](#TOC)

The success of the Investment Funds depends upon the ability of our Investment segment to successfully develop and implement investment strategies that achieve the Investment Funds’ objectives. Subjective decisions made by employees of our Investment segment may cause the Investment Funds to incur losses or to miss profit opportunities on which the Investment Funds would otherwise have capitalized. In addition, in the event that Mr. Icahn ceases to participate in the management of the Investment Funds, the consequences to the Investment Funds and our interest in them could be material and adverse and could lead to the premature termination of the Investment Funds.

***The Investment Funds make investments in companies we do not control.***

Investments by the Investment Funds include investments in debt or equity securities of publicly traded companies that we do not control. Such investments may be acquired by the Investment Funds through open market trading activities or through purchases of securities from the issuer. These investments will be subject to the risk that the company in which the investment is made may make business, financial or management decisions with which our Investment segment disagree or that the majority of stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve the best interests of the Investment Funds. In addition, the Investment Funds may make investments in which it shares control over the investment with co-investors, which may make it more difficult for it to implement its investment approach or exit the investment when it otherwise would. If any of the foregoing were to occur, the values of the investments by the Investment Funds could decrease and our Investment segment revenues could suffer as a result.

***The use of leverage in investments by the Investment Funds may pose a significant degree of risk and may enhance the possibility of significant loss in the value of the investments in the Investment Funds.***

The Investment Funds may leverage their capital if their general partners believe that the use of leverage may enable the Investment Funds to achieve a higher rate of return. Accordingly, the Investment Funds may pledge their securities in order to borrow additional funds for investment purposes. The Investment Funds may also leverage their investment return with options, short sales, swaps, forwards and other derivative instruments. The amount of borrowings that the Investment Funds may have outstanding at any time may be substantial in relation to their capital. While leverage may present opportunities for increasing the Investment Funds’ total return, leverage may increase losses as well. Accordingly, any event that adversely affects the value of an investment by the Investment Funds would be magnified to the extent such fund is leveraged. The cumulative effect of the use of leverage by the Investment Funds in a market that moves adversely to the Investment Funds’ investments could result in a substantial loss to the Investment Funds that would be greater than if the Investment Funds were not leveraged. There is no assurance that leverage will be available on acceptable terms, if at all.

In general, the use of short-term margin borrowings results in certain additional risks to the Investment Funds. For example, should the securities pledged to brokers to secure any Investment Fund’s margin accounts decline in value, the Investment Funds could be subject to a “margin call,” pursuant to which it must either deposit additional funds or securities with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of any of the Investment Funds’ assets, the Investment Funds might not be able to liquidate assets quickly enough to satisfy its margin requirements.

The Investment Funds may enter into repurchase and reverse repurchase agreements. When the Investment Funds enters into a repurchase agreement, it “sells” securities issued by the U.S. or a non-U.S. government, or agencies thereof, to a broker-dealer or financial institution, and agrees to repurchase such securities for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a reverse repurchase transaction, the Investment Fund “buys” securities issued by the U.S. or a non-U.S. government, or agencies thereof, from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by the Investment Funds, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by any of the Investment Funds involves certain risks. For example, if the seller of securities to the Investment Funds under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Investment Funds will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganization under applicable bankruptcy or other laws, the Investment Funds’ ability to dispose of the underlying securities may be restricted. Finally, if a seller

17

[Table of Contents](#TOC)

defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Investment Funds may suffer a loss to the extent it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

The financing used by the Investment Funds to leverage its portfolio will be extended by securities brokers and dealers in the marketplace in which the Investment Funds invest. While the Investment Funds will attempt to negotiate the terms of these financing arrangements with such brokers and dealers, its ability to do so will be limited. The Investment Funds are therefore subject to changes in the value that the broker-dealer ascribes to a given security or position, the amount of margin required to support such security or position, the borrowing rate to finance such security or position and/or such broker-dealer’s willingness to continue to provide any such credit to the Investment Funds. Because the Investment Funds currently have no alternative credit facility which could be used to finance its portfolio in the absence of financing from broker-dealers, it could be forced to liquidate its portfolio on short notice to meet its financing obligations. The forced liquidation of all or a portion of the Investment Funds’ portfolios at distressed prices could result in significant losses to the Investment Funds.

***The possibility of increased regulation could result in additional burdens on our Investment segment.***

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Reform Act”), enacted into law in July 2010, resulted in regulations affecting almost every part of the financial services industry.

The regulatory environment in which our Investment segment operates is subject to further regulation in addition to the rules already promulgated, including the Reform Act. Our Investment segment may be adversely affected by the enactment of new or revised regulations, or changes in the interpretation or enforcement of rules and regulations imposed by the SEC, other U.S. or foreign governmental regulatory authorities or self-regulatory organizations that supervise the financial markets. Such changes may limit the scope of investment activities that may be undertaken by the Investment Funds’ managers. Any such changes could increase the cost of our Investment segment doing business and/or materially adversely impact its profitability. Additionally, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The SEC, other regulators and self-regulatory organizations and exchanges have taken and are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Investment Funds and the Investment segment could be substantial and adverse.

***The ability to hedge investments successfully is subject to numerous risks.***

The Investment Funds may utilize financial instruments, both for investment purposes and for risk management purposes in order to (i) protect against possible changes in the market value of the Investment Funds’ investment portfolios resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Investment Funds’ unrealized gains in the value of its investment portfolios; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Investment Funds’ portfolio; (v) hedge the interest rate or currency exchange rate on any of the Investment Funds’ liabilities or assets; (vi) protect against any increase in the price of any securities our Investment segment anticipate purchasing at a later date; or (vii) for any other reason that our Investment segment deems appropriate.

The success of any hedging activities will depend, in part, upon the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. However, hedging techniques may not always be possible or effective in limiting potential risks of loss. Since the characteristics of many securities change as markets change or time passes, the success of our Investment segment’s hedging strategy will also be subject to the ability of our Investment segment to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Investment Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Investment Funds than if it had not engaged in such hedging transactions. For a variety of reasons, the Investment Funds may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Investment Funds from achieving the intended hedge or expose the Investment Funds to risk of loss. The

18

[Table of Contents](#TOC)

Investment Funds do not intend to seek to hedge every position and may determine not to hedge against a particular risk for various reasons, including, but not limited to, because they do not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge. Our Investment segment may not foresee the occurrence of the risk and therefore may not hedge against all risks.

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

The Investment 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 Investment Funds of the security in respect to which such distribution was made and the terms of which may render such security illiquid.

***The Investment Funds may invest in companies that are based outside of the United States, which may expose the Investment Funds to additional risks not typically associated with investing in companies that are based in the United States.***

Investments in securities of non-U.S. issuers (including non-U.S. governments) and securities denominated or whose prices are quoted in non-U.S. currencies pose, to the extent not successfully hedged, currency exchange risks (including blockage, devaluation and non-exchangeability), as well as a range of other potential risks, which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. issuers. Transaction costs of investing in non-U.S. securities markets are generally higher than in the United States. There is generally less government supervision and regulation of exchanges, brokers and issuers than there is in the United States. The Investment Funds may have greater difficulty taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect the Investment Funds’ performance. Investments in non-U.S. markets may result in imposition of non-U.S. taxes or withholding on income and gains recognized with respect to such securities. There can be no assurance that adverse developments with respect to such risks will not materially adversely affect the Investment Funds’ investments that are held in certain countries or the returns from these investments.

***The Investment Funds’ investments are subject to numerous additional risks including those described below.***

|  |  |  |
| --- | --- | --- |
|  | ● | Generally, there are few limitations set forth in the governing documents of the Investment Funds on the execution of their investment activities, which are subject to the sole discretion of our Investment segment. |

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds may buy or sell (or write) both call options and put options, and when it writes options, it may do so on a covered or an uncovered basis. When the Investment Funds sell (or write) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market price of the underlying security above the exercise price. The risk is theoretically unlimited unless the option is covered. If it is covered, the Investment Funds would forego the opportunity for profit on the underlying security should the market price of the security rise above the exercise price. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty, market risk, liquidity risk and operations risk. |

19

[Table of Contents](#TOC)

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds may engage in short-selling, which is subject to a theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. The Investment Funds may be subject to losses if a security lender demands return of the borrowed securities and an alternative lending source cannot be found or if the Investment Funds are otherwise unable to borrow securities that are necessary to hedge its positions. There can be no assurance that the Investment Funds will be able to maintain the ability to borrow securities sold short. There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. |

|  |  |  |
| --- | --- | --- |
|  | ● | The ability of the Investment Funds to execute a short selling strategy may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions and restrictions adopted in response to adverse market events. Regulatory authorities may from time-to-time impose restrictions that adversely affect the Investment Funds’ ability to borrow certain securities in connection with short sale transactions. In addition, traditional lenders of securities might be less likely to lend securities under certain market conditions. As a result, the Investment Funds may not be able to effectively pursue a short selling strategy due to a limited supply of securities available for borrowing. |

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds may effect transactions through over-the-counter or inter-dealer markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of exchange-based markets. This exposes the Investment Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Investment Fund to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Investment Funds have concentrated its transactions with a single or small group of its counterparties. The Investment Funds are not restricted from dealing with any particular counterparty or from concentrating any or all of the Investment Funds’ transactions with one counterparty. |

|  |  |  |
| --- | --- | --- |
|  | ● | Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by other institutions. This systemic risk may materially adversely affect the financial intermediaries (such as prime brokers, clearing agencies, clearing houses, banks, securities firms and exchanges) with which the Investment Funds interact on a daily basis. |

|  |  |  |
| --- | --- | --- |
|  | ● | The efficacy of investment and trading strategies depends largely on the ability to establish and maintain an overall market position in a combination of financial instruments. The Investment Funds’ trading orders may not be executed in a timely and efficient manner due to various circumstances, including systems failures or human error. In such event, the Investment Funds might only be able to acquire some but not all of the components of the position, or if the overall positions were to need adjustment, the Investment Funds might not be able to make such adjustment. As a result, the Investment Funds may not be able to achieve the market position selected by our Investment segment and might incur a loss in liquidating their position. |

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds assets may be held in one or more accounts maintained for the Investment Fund by its prime brokers or at other brokers or custodian banks, which may be located in various jurisdictions. The prime broker, other brokers (including those acting as sub-custodians) and custodian banks are subject to various laws and regulations in the relevant jurisdictions in the event of their insolvency. Accordingly, the practical effect of these laws and their application to the Investment Funds’ assets may be subject to substantial variations, limitations and uncertainties. The insolvency of any of the prime brokers, local brokers, custodian banks or clearing corporations may result in the loss of all or a substantial portion of the Investment Funds’ assets or in a significant delay in the Investment Funds having access to those assets. |

|  |  |  |
| --- | --- | --- |
|  | ● | The Investment Funds may invest in synthetic instruments with various counterparties. In the event of the insolvency of any counterparty, the Investment Funds’ recourse will be limited to the collateral, if any, posted by the counterparty and, in the absence of collateral, the Investment Funds will be treated as a general creditor of the counterparty. While the Investment Funds expect that returns on a synthetic financial instrument may reflect those of each related reference security, as a result of the terms of the synthetic financial instrument and the assumption of the credit risk of the counterparty, a synthetic financial instrument may have a different expected return. The Investment Funds may also invest in credit default swaps. |

20

[Table of Contents](#TOC)

**Risks Relating to our Consolidated Operating Subsidiaries**

***Changes in regulations and regulatory actions can adversely affect our operating results and our ability to allocate capital.***

In recent years, regulatory authorities have increased their regulation and scrutiny of businesses partially in response to financial markets crises, global economic recessions, and social and environmental issues. These initiatives may impact our operating subsidiaries, particularly those within our Energy segment. Changes in regulation and regulatory actions may increase our compliance costs and may require changes to how our operating subsidiaries conduct their businesses. Any regulatory changes could have a significant negative impact on our financial condition, results of operations or cash flows.

***Our operating subsidiaries operate businesses which are subject to the risk of operational disruptions, damage to property, injury to persons or environmental and legal liability. Our operating subsidiaries could incur potentially significant costs to the extent there are unforeseen events which are not fully insured.***

Our operating subsidiaries, particularly within our Energy segment, may become subject to catastrophic loss, which may cause operations to shut down or become significantly impaired. Our operating subsidiaries may also be subject to liability for hazards for which they cannot be insured, which could exceed policy limits or against which they may elect not to be insured due to high premium costs. Examples of such risks include but are not limited to industrial accidents, environmental hazards, power outages, equipment failures, structural failures, flooding, unusual or unexpected geological conditions and severe weather conditions, among others. These events may damage or destroy properties, production facilities, transport facilities and equipment, as well as lead to personal injury or death, environmental damage, waste from intermediary products or resources, production or transportation delays and monetary losses or legal liability. Such damages are not limited to our operations or our employees and could significantly impact the surrounding areas. Operations at our subsidiaries could be curtailed, limited or completely shut down for an extended period of time, or indefinitely, as a result of one or more unforeseen events and circumstances, which may or may not be within our control, and which may not be adequately insured. Any one of these events and circumstances could have a material adverse impact on our operations, financial condition and cash flows.

***Environmental laws and regulations could require our operating subsidiaries to make substantial capital expenditures to remain in compliance or to remediate current or future contamination that could give rise to material liabilities.***

Several of our subsidiaries are subject to a variety of federal, state and local environmental laws and regulations relating to the protection of the environment, including those governing the emission or discharge of pollutants into the environment, product specifications and the generation, treatment, storage, transportation, disposal and remediation of solid and hazardous wastes. Violations of these laws and regulations or permit conditions can result in substantial penalties, injunctive orders compelling installation of additional controls, civil and criminal sanctions, permit revocations and/or facility shutdowns.

In addition, new environmental laws and regulations, new interpretations of existing laws and regulations, increased governmental enforcement of laws and regulations or other developments could require our businesses to make additional unforeseen expenditures. Many of these laws and regulations are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time. The requirements to be met, as well as the technology and length of time available to meet those requirements, continue to develop and change. These expenditures or costs for environmental compliance could have a material adverse effect on our operating subsidiaries’ results of operations, financial condition and profitability. Certain of our subsidiaries’ facilities operate under a number of federal and state permits, licenses and approvals with terms and conditions containing a significant number of prescriptive limits and performance standards in order to operate. These permits, licenses, approvals, limits and standards require a significant amount of monitoring, record keeping and reporting in order to demonstrate compliance with the underlying permit, license, approval, limit or standard. Non-compliance or incomplete documentation of our subsidiaries’ compliance status may result in the imposition of fines, penalties and injunctive relief. Additionally, there may be times when certain of our subsidiaries are unable to meet the standards and terms and conditions of our permits, licenses and

21

[Table of Contents](#TOC)

approvals due to operational upsets or malfunctions, which may lead to the imposition of fines and penalties or operating restrictions that may have a material adverse effect on their ability to operate their facilities and accordingly on our consolidated financial position, results of operations or cash flows. Refer to Note 18, “Commitments and Contingencies,” to the consolidated financial statements for additional discussion of environmental matters affecting our businesses.

***Our Energy segment’s businesses are, and commodity prices are, cyclical and highly volatile, which could have a material adverse effect on our results of operations, financial condition and cash flows.***

Our Energy segment’s petroleum business’ financial results are primarily affected by the margin between refined product prices and the prices for crude oil and other feedstocks. Historically, refining margins have been volatile, and are expected to continue to be volatile in the future. The petroleum business’ cost to acquire feedstocks and the price at which it can ultimately sell refined products depend upon several factors beyond its control, including regional and global supply of and demand for crude oil, gasoline, diesel and other feedstocks and refined products. These in turn depend on, among other things, the availability and quantity of imports, the production levels of U.S. and international suppliers, levels of refined petroleum product inventories, productivity and growth (or the lack thereof) of U.S. and global economies, U.S. relationships with foreign governments, political affairs and the extent of governmental regulation.

Some of these factors can vary by region and may change quickly, adding to market volatility, while others may have longer-term effects on refining and marketing margins, which are uncertain. CVR Refining does not produce crude oil and must purchase all of the crude oil it refines long before it refines them and sell the refined products. Price level changes during the period between purchasing feedstocks and selling the refined petroleum products from these feedstocks could have a significant effect on our Energy segment’s financial results and a decline in market prices may negatively impact the carrying value of its inventories.

Profitability is also impacted by the ability to purchase crude oil at a discount to benchmark crude oils, such as West Texas Intermediate (“WTI”), as the petroleum business does not produce any crude oil and must purchase all of the crude oil it refines. Crude oil differentials can fluctuate significantly based upon overall economic and crude oil market conditions. Adverse changes in crude oil differentials can adversely impact refining margins, earnings and cash flows. In addition, the petroleum business’ purchases of crude oil, although based on WTI prices, have historically been at a discount to WTI because of the proximity of the refineries to the sources, existing logistics infrastructure and quality differences. Any change in the sources of crude oil, infrastructure or logistical improvements or quality differences could result in a reduction of the petroleum business’ historical discount to WTI and may result in a reduction of our Energy segment’s cost advantage.

Volatile prices for natural gas and electricity affect the petroleum business’ manufacturing and operating costs. Natural gas and electricity prices have been, and will continue to be, affected by supply and demand for fuel and utility services in both local and regional markets.

***Compliance with the U.S. Environmental Protection Agency Renewable Fuel Standard, with respect to our Energy segment, could adversely affect our financial condition and results of operations.***

The Environmental Protection Agency (the “EPA”) has promulgated the Renewable Fuel Standards (“RFS”), which requires refiners to either blend “renewable fuels,” such as ethanol and biodiesel, into their transportation fuels or purchase renewable fuel credits, known as renewable identification numbers (“RINs”), in lieu of blending. Under the RFS, the volume of renewable fuels that refineries like Coffeyville and Wynnewood are obligated to blend into their finished petroleum products is adjusted annually by the EPA. The petroleum business is not able to blend the substantial majority of its transportation fuels, so it has to purchase RINs on the open market as well as waiver credits for cellulosic biofuels from the EPA, in order to comply with the RFS. The price of RINs has been extremely volatile as the EPA’s proposed renewable fuel volume mandates approached and exceeded the “blend wall.” The blend wall refers to the point at which the amount of ethanol blended into the transportation fuel supply exceeds the demand for transportation fuel containing such levels of ethanol. The blend wall is generally considered to be reached when more than 10% ethanol by volume (“E10 gasoline”) is blended into transportation fuel.

22

[Table of Contents](#TOC)

The petroleum business cannot predict the future prices of RINs. The price of RINs has been extremely volatile in the past. Additionally, the cost of RINs is dependent upon a variety of factors, which include the availability of RINs for purchase, the price at which RINs can be purchased, transportation fuel production levels, the mix of the petroleum business’ petroleum products, as well as the fuel blending performed at the refineries and downstream terminals, all of which can vary significantly from period to period. However, the costs to obtain the necessary number of RINs and waiver credits could be material, if the price for RINs increases. Additionally, because the petroleum business does not produce renewable fuels, increasing the volume of renewable fuels that must be blended into its products displaces an increasing volume of the refineries’ product pool, potentially resulting in lower earnings and materially adversely affecting the petroleum business’ cash flows. If the demand for the petroleum business’ transportation fuel decreases as a result of the use of increasing volumes of renewable fuels, increased fuel economy as a result of new EPA fuel economy standards, or other factors, the impact on its business could be material. If sufficient RINs are unavailable for purchase, if the petroleum business has to pay a significantly higher price for RINs or if the petroleum business is otherwise unable to meet the EPA’s RFS mandates, its business, financial condition and results of operations could be materially adversely affected.

***Commodity derivative contracts, particularly with respect to our Energy segment, may limit our potential gains, exacerbate potential losses and involve other risks.***

Our Energy segment’s petroleum business may enter into commodity derivatives contracts to mitigate crack spread risk with respect to a portion of its expected refined products production. However, its hedging arrangements may fail to fully achieve these objectives for a variety of reasons, including its failure to have adequate hedging contracts, if any, in effect at any particular time and the failure of its hedging arrangements to produce the anticipated results. The petroleum business may not be able to procure adequate hedging arrangements due to a variety of factors. Moreover, such transactions may limit its ability to benefit from favorable changes in margins. In addition, the petroleum business’ hedging activities may expose it to the risk of financial loss in certain circumstances, including instances in which:

|  |  |  |
| --- | --- | --- |
|  | ● | the volumes of its actual use of crude oil or production of the applicable refined products is less than the volumes subject to the hedging arrangement; |

|  |  |  |
| --- | --- | --- |
|  | ● | accidents, interruptions in transportation, inclement weather or other events cause unscheduled shutdowns or otherwise adversely affect its refinery or suppliers or customers; |

|  |  |  |
| --- | --- | --- |
|  | ● | the counterparties to its futures contracts fail to perform under the contracts; or |

|  |  |  |
| --- | --- | --- |
|  | ● | a sudden, unexpected event materially impacts the commodity or crack spread subject to the hedging arrangement. |

As a result, the effectiveness of CVR Energy’s risk mitigation strategy could have a material adverse impact on our Energy segment’s financial results and cash flows.

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

Our operating subsidiaries face competitive pressures within markets in which they operate. We manage our subsidiaries with the objective of growing their value over time by, among other means, investing in and strengthening our subsidiaries’ competitive advantages. Many factors, including availability of financial resources, supply chain capabilities and local market changes, may limit our ability to strengthen our subsidiaries’ competitive advantages. In addition, competitors may be significantly larger than our subsidiaries are and may have greater financial resources and operational capabilities. Accordingly, our subsidiaries may require significant additional resources, which may not be available to them through internally generated cash flows. With respect to our Automotive segment, we have invested significant resources in various initiatives to remain competitive and stimulate growth. In addition, we will continue to consider strategic alternatives in our automotive aftermarket parts business to maximize value. If we are unable to implement these initiatives efficiently and effectively, or if these initiatives are unsuccessful, our consolidated financial condition, results of operations and cash flows could be adversely affected.

23

[Table of Contents](#TOC)

***Certain of our subsidiaries have operations in foreign countries which expose them to risks related to economic and political conditions, currency fluctuations, import/export restrictions, regulatory and other risks.***

Certain of our subsidiaries are global businesses and have manufacturing and distribution facilities in many countries. International operations are subject to certain risks including:

|  |  |  |
| --- | --- | --- |
|  | ● | exposure to local economic conditions; |

|  |  |  |
| --- | --- | --- |
|  | ● | exposure to local political conditions (including the risk of seizure of assets by foreign governments); |

|  |  |  |
| --- | --- | --- |
|  | ● | currency exchange rate fluctuations (including, but not limited to, material exchange rate fluctuations, such as devaluations) and currency controls; |

|  |  |  |
| --- | --- | --- |
|  | ● | export and import restrictions; |

|  |  |  |
| --- | --- | --- |
|  | ● | restrictions on ability to repatriate foreign earnings; |

|  |  |  |
| --- | --- | --- |
|  | ● | labor unrest; and |

|  |  |  |
| --- | --- | --- |
|  | ● | compliance with U.S. laws such as the Foreign Corrupt Practices Act, and local laws prohibiting inappropriate payments. |

The likelihood of such occurrences and their potential effect on our businesses are unpredictable and vary from country-to-country.

Certain of our businesses’ operating entities report their financial condition and results of operations in currencies other than the U.S. Dollar. The reported results of these entities are translated into U.S. Dollars at the applicable exchange rates for reporting in our consolidated financial statements. As a result, fluctuations in the U.S. Dollar against foreign currencies will affect the value at which the results of these entities are included within our consolidated results. Our businesses are exposed to a risk of loss from changes in foreign exchange rates whenever they, or one of their foreign subsidiaries, enters into a purchase or sales agreement in a currency other than its functional currency. Such changes in exchange rates could affect our businesses’ financial condition or results of operations.

***Certain of our businesses have substantial indebtedness, which could restrict their business activities and/or could subject them to significant interest rate risk.***

Our subsidiaries’ inability to generate sufficient cash flow to satisfy their debt obligations, or to refinance their debt obligations on commercially reasonable terms, would have a material adverse effect on their businesses, financial condition, and results of operations. In addition, covenants in debt instruments could limit their ability to engage in certain transactions and pursue their business strategies, which could adversely affect liquidity.

Our subsidiaries’ indebtedness could:

|  |  |  |
| --- | --- | --- |
|  | ● | limit their ability to borrow money for working capital, capital expenditures, debt service requirements or other corporate purposes, guarantee additional debt or issue redeemable, convertible of preferred equity; |

|  |  |  |
| --- | --- | --- |
|  | ● | limit their ability to make distributions or prepay its debt, incur liens, enter into agreements that restrict distributions from restricted subsidiaries, sell or otherwise dispose of assets (including capital stock of subsidiaries), enter into transactions with affiliates and merger consolidate or sell substantially all of its assets; |

|  |  |  |
| --- | --- | --- |
|  | ● | require them to dedicate a substantial portion of its cash flow to payments on indebtedness, which would reduce the amount of cash flow available to fund working capital, capital expenditures, product development, and other corporate requirements; |

|  |  |  |
| --- | --- | --- |
|  | ● | increase their vulnerability to general adverse economic and industry conditions; and |

|  |  |  |
| --- | --- | --- |
|  | ● | limit their ability to respond to business opportunities. |

Certain of our subsidiaries’ indebtedness accrue interest at variable rates. To the extent market interest rates rise, the cost of their debt would increase, adversely affecting their financial condition, results of operations and cash flows.

***​***

24

[Table of Contents](#TOC)

***A significant labor dispute involving any of our businesses or one or more of their customers or suppliers or that could otherwise affect our operations could adversely affect our financial performance.***

A substantial number of our operating subsidiaries’ employees and the employees of its largest customers and suppliers are represented by labor unions under collective bargaining agreements. There can be no assurances that future negotiations with the unions will be resolved favorably or that our subsidiaries will not experience a work stoppage or disruption that could adversely affect its financial condition, operating results and cash flows. A labor dispute involving any of our businesses, particularly within our Energy segment, any of its customers or suppliers or any other suppliers to its customers or that otherwise affects our subsidiaries’ operations, or the inability by it, any of its customers or suppliers or any other suppliers to its customers to negotiate, upon the expiration of a labor agreement, an extension of such agreement or a new agreement on satisfactory terms could adversely affect our financial condition, operating results and cash flows. In addition, if any of our subsidiaries’ significant customers experience a material work stoppage, the customer may halt or limit the purchase of its products. This could require certain businesses to shut down or significantly reduce production at facilities relating to such products, which could adversely affect our business.

**General Risk Factors**

***General***

All of our businesses are subject to the effects of the following:

|  |  |  |
| --- | --- | --- |
|  | ● | the threat of terrorism or war; |

|  |  |  |
| --- | --- | --- |
|  | ● | health epidemics or pandemics (or expectations about them) |

|  |  |  |
| --- | --- | --- |
|  | ● | loss of any of our or our subsidiaries’ key personnel; |

|  |  |  |
| --- | --- | --- |
|  | ● | the unavailability, as needed, of additional financing; |

|  |  |  |
| --- | --- | --- |
|  | ● | significant competition, varying by industry and geographic markets; |

|  |  |  |
| --- | --- | --- |
|  | ● | the unavailability of insurance at acceptable rates; and |

|  |  |  |
| --- | --- | --- |
|  | ● | litigation not in the ordinary course of business (see Item 3, “Legal Proceedings,” of this Report). |

***We need qualified personnel to manage and operate our various businesses.***

In our decentralized business model, we need qualified and competent management to direct day-to-day business activities of our operating subsidiaries. Our operating subsidiaries also need qualified and competent personnel in executing their business plans and serving their customers, suppliers and other stakeholders. Changes in demographics, training requirements and the unavailability of qualified personnel could negatively impact one or more of our significant operating subsidiaries ability to meet demands of customers to supply goods and services. Recruiting and retaining qualified personnel is important to all of our operations. Although we have adequate personnel for the current business environment, unpredictable increases in demand for goods and services may exacerbate the risk of not having sufficient numbers of trained personnel, which could have a negative impact on our consolidated financial condition, results of operations or cash flows.

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

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

25

[Table of Contents](#TOC)

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

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

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

***Global economic conditions may have adverse impacts on our businesses and financial condition.***

Changes in economic conditions could adversely affect our financial condition and results of operations. A number of economic factors, including, but not limited to, consumer interest rates, consumer confidence and debt levels, retail trends, housing starts, sales of existing homes, the level and availability of mortgage refinancing, and commodity prices, may generally adversely affect our businesses, financial condition and results of operations. Recessionary economic cycles, higher and protracted unemployment rates, increased fuel and other energy and commodity costs, rising costs of transportation and increased tax rates can have a material adverse impact on our businesses, and may adversely affect demand for sales of our businesses’ products, or the costs of materials and services utilized in their operations. These factors could have a material adverse effect on our revenues, income from operations and our cash flows.

***We and our subsidiaries are subject to cybersecurity and other technological risks that could disrupt our information technology systems and adversely affect our financial performance.***

Threats to information technology systems associated with cybersecurity and other technological risks and cyber incidents or attacks continue to grow. We and our subsidiaries depend on the accuracy, capacity and security of our information technology systems and those used by our third-party service providers. In addition, we and our subsidiaries collect, process and retain sensitive and confidential information in the normal course of business, including information about our employees, customers and other third parties. Despite the security measures we have in place and any additional measures we may implement in the future, our facilities, systems, and networks, and those of our third-party service providers, could be vulnerable to security breaches, computer viruses, lost or misplaced data, programming errors, human errors, employee misconduct, malicious attacks, acts of vandalism or other events. In addition, hardware, software or applications we develop or obtain from third parties may contain defects in design or manufacture or other problems that could result in security breaches or disruptions. These events or any other disruption or compromise of our or our third-party service providers’ information technology systems could negatively impact our business operations or result in the misappropriation, loss or other unauthorized disclosure of sensitive and confidential information. Such events could damage our reputation, expose us to the risks of litigation and liability, disrupt our business or otherwise affect our results of operations, any of which could adversely affect our financial performance.

26

[Table of Contents](#TOC)

***Software implementation and upgrades at certain of our subsidiaries may result in complications that adversely impact the timeliness, accuracy and reliability of internal and external reporting.***

Our operating subsidiaries are operated and managed on a decentralized basis and their software is not integrated with each other or with us. Certain of our subsidiaries are currently undergoing, or in the future may undergo, software implementation and/or upgrades. Software implementation and upgrades are complex, time consuming and require significant resources. Failure to properly implement or upgrade software, including failure to recruit/retain appropriate experts, train employees, implement processes and properly bridge to legacy software, among others, may negatively impact our subsidiaries’ ability to properly operate their businesses and to report internally and externally, including reporting to us. As a result, we may not adequately assess the performance of our subsidiaries, properly allocate resources report timely and accurate financial results.

***We or our subsidiaries may pursue acquisitions or other affiliations that involve inherent risks, any of which may cause us not to realize anticipated benefits, and we may have difficulty integrating the operations of any companies that may be acquired, which may adversely affect its operations.***

We may expand our existing businesses if appropriate opportunities are identified, as well as use our established businesses as a platform for additional acquisitions in the same or related areas. We and our operating subsidiaries have at times grown through acquisitions and may make additional acquisitions in the future as part of our business strategy. The full benefits of these acquisitions, however, require integration of manufacturing, administrative, financial, sales, and marketing approaches and personnel. We may invest significant resources towards realizing benefits. If we or our operating subsidiaries are unable to successfully integrate acquired businesses, we may not realize the benefits of the acquisitions, our financial results may be negatively affected, and additional cash may be required to integrate such operations. Additionally, any such acquisition, if consummated, could involve risks not presently faced by us.

***The existence of a material weakness in internal control over financial reporting of us or one of our consolidated subsidiaries or a recently acquired entity may adversely affect our ability to provide timely and reliable financial information necessary for the conduct of our business and satisfaction of our reporting obligations under the federal securities laws.***

To the extent that any material weakness or significant deficiency exists in internal control over financial reporting of us or one of our consolidated subsidiaries or a recently acquired entity, such material weakness or significant deficiency may adversely affect our ability to provide timely and reliable financial information necessary for the conduct of our business and satisfaction of our reporting obligations under the federal securities laws, that could affect our ability to remain listed on Nasdaq. Ineffective internal and disclosure controls could cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our depositary units or the rating of our debt.

**Item 1B. Unresolved Staff Comments**

None.

**Item 2. Properties**

Our Holding Company and Investment segment lease office space in Sunny Isles Beach, Florida. The principal physical properties at our other operating segments are as follows:

*Energy*

CVR Energy owns and operates two oil refineries as well as office buildings located in Coffeyville, Kansas and Wynnewood, Oklahoma. CVR Energy also owns and operates two fertilizer plants in Coffeyville, Kansas and East Dubuque, Illinois. CVR Energy owns crude oil storage facilities in Kansas and Oklahoma, refined oil storage facilities at its Wynnewood, Oklahoma refinery location, and fertilizer storage facilities at its East Dubuque, Illinois fertilizer plant location. CVR Energy also leases additional crude oil storage facilities.

27

[Table of Contents](#TOC)

*Automotive*

Icahn Automotive’s operations include approximately 1,500 company operated store locations, 753 franchise locations and 40 distributions centers throughout the United States. Approximately 62% of Icahn Automotive’s facilities are leased and the remainder are owned.

*Food Packaging*

Viskase’s operations include ten manufacturing facilities throughout North America, Europe, South America and Asia.

**Item 3. Legal Proceedings**

We are, and will continue to be, subject to litigation from time to time in the ordinary course of our business. We also incorporate by reference into this Item 3 of this Report, the information regarding the lawsuits and proceedings described and referenced in Note 18, “Commitments and Contingencies,” to the consolidated financial statements as set forth in Item 8 of this Report.

**Item 4. Mine Safety Disclosures**

Not applicable.

28

[Table of Contents](#TOC)

**PART II**

**​**

**Item 5. Market for Registrant’s Common Equity, Related Security Holder Matters and Issuer Purchases of Equity Securities**

***Market Information***

Icahn Enterprises’ depositary units are traded on the Nasdaq Global Select Market under the symbol “IEP.”

***Holders of Record***

As of December 31, 2020, there were approximately 1,840 record holders of Icahn Enterprises’ depositary units including multiple beneficial holders at depositories, banks and brokers listed as a single record holder in the street name of each respective depository, bank or broker.

***Securities Authorized for Issuance Under Equity Compensation Plans***

During the first quarter of 2017, the board of directors of the general partner of Icahn Enterprises unanimously approved and adopted the Icahn Enterprises L.P. 2017 Long Term Incentive Plan (the “2017 Incentive Plan”), which became effective during the first quarter of 2017 subject to the approval by holders of a majority of Icahn Enterprises depositary units. The 2017 Incentive Plan permits us to issue depositary units and grant options, restricted units or other unit-based awards to all of our, and our affiliates’, employees, consultants, members and partners, as well as the three non-employee directors of our general partner. One million of Icahn Enterprises’ depositary units were initially available under the 2017 Incentive Plan. As of December 31, 2020, there were no securities to be issued upon the exercise of outstanding options, warrants or rights. The number of securities remaining available for future issuance under the 2017 Incentive Plan as of December 31, 2020 is 949,999 of Icahn Enterprises’ depositary units.

**Item 6. Selected Financial Data**

Not applicable.

​

29

[Table of Contents](#TOC)

**Item 7. 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 contained in this Report.*

**Executive Overview**

***Introduction***

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

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

We are a diversified holding company owning subsidiaries currently engaged in the following continuing operating businesses: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate, Home Fashion and, as of December 2020, Pharma. We also report the results of our Holding Company, which includes the results of certain subsidiaries of Icahn Enterprises and Icahn Enterprises Holdings (unless otherwise noted), and investment activity and expenses associated with our Holding Company. Our historical results also report the results of our Mining segment, until sold on August 1, 2019, and our Railcar segment through the date we sold our last remaining railcars on lease, which occurred in the third quarter of 2018.

***Significant Transactions and Developments***

*Current Economic Conditions*

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

*Debt Issuances*

In January 2020, Icahn Enterprises and Icahn Enterprises Finance Corp. (together the “Issuers”) issued an additional $600 million in aggregate principal amount of 4.750% senior unsecured notes due 2024 (the “New 2024 Notes”) and an additional $250 million in aggregate principal amount of 5.250% senior unsecured notes due 2027 (the “New 2027 Notes”) The proceeds from these notes, together with cash on hand, were used to redeem all of our prior outstanding $1.35 billion principal amount of 5.875% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses.

30

[Table of Contents](#TOC)

In January 2021, the Issuers issued $750 million in aggregate principal amount of 4.375% senior unsecured notes due 2029 (the “New 2029 Notes”). The proceeds from these notes, together with cash on hand, were used to redeem $750 million principal amount of our 6.250% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses.

*Acquisition of Vivus, Inc.*

In December 2020, we acquired all of the outstanding common stock of Vivus, Inc. (“Vivus”) upon its emergence from bankruptcy. Prior to Vivus’ emergence from bankruptcy, we held an investment in all of Vivus’ convertible corporate debt securities as well as all of its other outstanding debt. As a result of this transaction, we consolidate the results of Vivus beginning December 2020 and report the results within our new Pharma segment.

**Results of Operations**

***Consolidated Financial Results***

Our operating businesses comprise consolidated subsidiaries which operate in various industries and are managed on a decentralized basis. In addition to our Investment segment’s revenues from investment transactions, revenues for our continuing operating businesses primarily consist of net sales of various products, services revenue, franchisor operations and leasing of real estate. Due to the structure and nature of our business, we primarily discuss the results of operations by individual reporting segment in order to better understand our consolidated operating performance. Certain other financial information is discussed on a consolidated basis following our segment discussion, including other revenues and expenses included in continuing operations as well as our results from discontinued operations. In addition to the summarized financial results below, refer to Note 13, “Segment and Geographic Reporting,” to the consolidated financial statements for a reconciliation of each of our reporting segment’s results of continuing operations to our consolidated results.

The comparability of our summarized consolidated financial results presented below is affected by, among other factors, (i) the performance of the Investment Funds, (ii) the results of our Energy segment’s operations, impacted by the demand and prices for its products, (iii) impairment charges, primarily in our Automotive segment in 2018 and (iv) the sale of Ferrous Resources in 2019. Refer to our respective segment discussions and “Other Consolidated Results of Operations,” below for further discussion.

​

31

[Table of Contents](#TOC)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **​** | **​** | **​** | **​** | **​** | **​** | **​** | **​** | ​ | ​ | **​** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | **Net Income (Loss) From** | | | | | | | |
| ​ | **​** | **​** | **​** | **​** | **​** | **​** | **​** | **​** | **​** | ​ | ​ | **​** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | **Continuing Operations** | | | | | | | |
| ​ | **​** | **​** | **​** | **​** | **​** | **​** | **​** | **​** | **​** | ​ | **Net Income (Loss) From** | | | | | | | | ​ | **Attributable to Icahn** | | | | | | | |
| ​ | **​** | **Revenues** | | | | | | | | ​ | **Continuing Operations** | | | | | | | | ​ | **Enterprises** | | | | | | | |
| ​ | **​** | **Year Ended December 31,** | | | | | | | | ​ | **Year Ended December 31,** | | | | | | | | ​ | **Year Ended December 31,** | | | | | | | |
| ​ | **​** | **2020** | |  | **2019** | |  | **2018** | |  | **2020** | |  | **2019** | |  | **2018** | |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment | ​ | $ | (1,249) | ​ | $ | (1,414) | ​ | $ | 737 | ​ | $ | (1,447) | ​ | $ | (1,543) | ​ | $ | 679 | ​ | $ | (765) | ​ | $ | (775) | ​ | $ | 319 |
| Holding Company | ​ |  | (70) | ​ |  | (261) | ​ |  | (291) | ​ |  | (476) | ​ |  | (599) | ​ |  | (639) | ​ |  | (476) | ​ |  | (599) | ​ |  | (638) |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Other Operating Segments: | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  |
| Energy | ​ |  | 3,966 | ​ |  | 6,385 | ​ |  | 7,135 | ​ |  | (327) | ​ |  | 314 | ​ |  | 334 | ​ |  | (194) | ​ |  | 246 | ​ |  | 213 |
| Automotive | ​ |  | 2,465 | ​ |  | 2,895 | ​ |  | 2,856 | ​ |  | (198) | ​ |  | (197) | ​ |  | (230) | ​ |  | (198) | ​ |  | (197) | ​ |  | (230) |
| Food Packaging | ​ |  | 403 | ​ |  | 377 | ​ |  | 379 | ​ |  | 4 | ​ |  | (22) | ​ |  | (15) | ​ |  | 4 | ​ |  | (17) | ​ |  | (12) |
| Metals | ​ |  | 317 | ​ |  | 341 | ​ |  | 467 | ​ |  | — | ​ |  | (22) | ​ |  | 5 | ​ |  | — | ​ |  | (22) | ​ |  | 5 |
| Real Estate | ​ |  | 98 | ​ |  | 103 | ​ |  | 212 | ​ |  | (16) | ​ |  | 16 | ​ |  | 112 | ​ |  | (16) | ​ |  | 16 | ​ |  | 112 |
| Home Fashion | ​ |  | 190 | ​ |  | 186 | ​ |  | 171 | ​ |  | (7) | ​ |  | (17) | ​ |  | (11) | ​ |  | (7) | ​ |  | (17) | ​ |  | (11) |
| Pharma | ​ | ​ | 3 | ​ | ​ | — | ​ | ​ | — | ​ | ​ | (1) | ​ | ​ | — | ​ | ​ | — | ​ | ​ | (1) | ​ | ​ | — | ​ | ​ | — |
| Mining | ​ |  | — | ​ |  | 382 | ​ |  | 106 | ​ |  | — | ​ |  | 311 | ​ |  | 1 | ​ |  | — | ​ |  | 299 | ​ |  | 3 |
| Railcar | ​ |  | — | ​ |  | — | ​ |  | 5 | ​ |  | — | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | — | ​ |  | 1 |
| Other operating segments | ​ |  | 7,442 | ​ |  | 10,669 | ​ |  | 11,331 | ​ |  | (545) | ​ |  | 383 | ​ |  | 197 | ​ |  | (412) | ​ |  | 308 | ​ |  | 81 |
| Consolidated | ​ | $ | 6,123 | ​ | $ | 8,994 | ​ | $ | 11,777 | ​ | $ | (2,468) | ​ | $ | (1,759) | ​ | $ | 237 | ​ | $ | (1,653) | ​ | $ | (1,066) | ​ | $ | (238) |

​

Management’s Discussion and Analysis of Results of Operations discusses the comparisons between the years ended December 31, 2020 and 2019. Certain discussions of results of operations for the comparisons between the years ended December 31, 2019 and 2018 are not included in this Report. Refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, filed on February 28, 2020, which is incorporated by reference herein, for such discussions.

***Investment***

We invest our proprietary capital through various private investment funds (the “Investment Funds”). As of December 31, 2020 and 2019, we had investments with a fair market value of approximately $4.3 billion and $4.3 billion, respectively, in the Investment Funds. As of December 31, 2020 and 2019, the total fair market value of investments in the Investment Funds made by Mr. Icahn and his affiliates (excluding us), was approximately $5.0 billion and $4.5 billion, respectively.

Our Investment segment’s results of operations are reflected in net income (loss) in the consolidated statements of operations. Our Investment segment’s net income (loss) is driven by the amount of funds allocated to the Investment Funds and the performance of the underlying investments in the Investment Funds. Future funds allocated to the Investment Funds may increase or decrease based on the contributions and redemptions by our Holding Company, Mr. Icahn and his affiliates and by Brett Icahn, son of Mr. Icahn. Additionally, historical performance results of the Investment Funds are not indicative of future results as past market conditions, investment opportunities and investment decisions may not occur in the future. Changes in general market conditions coupled with changes in exposure to short and long positions have significant impact on our Investment segment’s results of operations and the comparability of results of operations year over year and as such, future results of operations will be impacted by our future exposures and future market conditions, which may not be consistent with prior trends. Refer to the “Investment Segment Liquidity” section of our “Liquidity and Capital Resources” discussion for additional information regarding our Investment segment’s exposure as of December 31, 2020.

32

[Table of Contents](#TOC)

For the years ended December 31, 2020, 2019 and 2018, our Investment Funds’ returns were (14.3)%, (15.4)%, and 7.9%, respectively. Our Investment Funds’ returns represent a weighted-average composite of the average returns, net of expenses. The following table sets forth the performance attribution for the Investment Funds’ returns:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | |  |
| ​ |  | **2020** |  | **2019** |  | **2018** |  |
| Long positions |  | 0.6 | % | 16.4 | % | (0.8) | % |
| Short positions |  | (14.9) | % | (31.9) | % | 7.8 | % |
| Other |  | — | % | 0.1 | % | 0.9 | % |
| ​ |  | (14.3) | % | (15.4) | % | 7.9 | % |

​

The following table presents net income (loss) for our Investment segment:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Long positions | ​ | $ | (50) | ​ | $ | 1,492 | ​ | $ | (329) |
| Short positions | ​ |  | (1,400) | ​ |  | (3,045) | ​ |  | 931 |
| Other | ​ |  | 3 | ​ |  | 10 | ​ |  | 77 |
| ​ | ​ | $ | (1,447) | ​ | $ | (1,543) | ​ | $ | 679 |

​

For 2020, the Investment Funds’ negative performance was driven by net losses in their short positions and, to a lesser extent, net losses in their long positions. The negative performance of our Investment segment’s short positions was driven primarily by the negative performance of broad market hedges of approximately $1.6 billion, losses from two consumer, non-cyclical sector investments aggregating $362 million, losses from a consumer, cyclical sector investment of $118 million and the aggregate performance of various other short positions with net losses aggregating $357 million across various sectors. The negative performance of our Investment segment’s short positions was partially offset by net gains from its short exposure to commercial mortgage-backed securities through credit default swap contracts of $902 million. The negative performance of our Investment Segment’s long positions was driven by losses from a consumer, non-cyclical sector investment of $637 million, and two technology sector investments aggregating $402 million, offset in part by gains from two consumer, cyclical sector investments aggregating $497 million, two consumer, non-cyclical sector investments aggregating $271 million and a technology sector investment of $162 million. Net losses in long positions were further offset in part by the aggregate performance of investments with net gains across various other sectors.

For 2019, the Investment Funds’ negative performance was driven by net losses in their short positions offset in part by net gains in their long positions. The negative performance of our Investment segment’s short positions was driven by the negative performance of broad market hedges of approximately $2.5 billion and the aggregate performance of short positions with net losses across various sectors. The positive performance of our Investment segment’s long positions was driven by gains from a consumer, cyclical sector investment, two technology sector investments, two financial sector investments and a consumer, non-cyclical sector investment with gains aggregating approximately $1.7 billion. The aggregate performance of investments with net gains across various other sectors accounted for an additional $495 million positive performance of our Investment segment’s long positions. The positive performance of long positions was offset in part by losses from a consumer, non-cyclical sector investment, an energy sector investment and a technology sector investment with losses aggregating $727 million.

***​***

33

[Table of Contents](#TOC)

***Energy***

Our Energy segment is primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing businesses. The sale of petroleum products accounted for approximately 91%, 94% and 95% of our Energy segment’s net sales for the years ended December 31, 2020, 2019 and 2018, respectively.

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

The COVID-19 pandemic, and the actions taken by governments and others, has negatively impacted the energy industry. The COVID-19 pandemic has also resulted in significant business and operational disruptions, including business closures, liquidity strains, destruction of non-essential demand, as well as supply chain challenges, travel restrictions, stay-at home orders, and limitations on the availability of the workforce. As a result, the demand for gasoline and diesel in the regions that our Energy segment operates have declined for 2020 compared to 2019. Continuing concerns over the negative effects of the COVID-19 pandemic on economic and business prospects across the world have contributed to increased market and price volatility and have diminished expectations for the global economy and may precipitate a prolonged economic slowdown or recession. The declines were amplified in the first quarter of 2020 by market plays between the world’s largest oil producers. The simultaneous shocks in oil supply and demand has resulted in a decline in the price of crude oil and lead to a significant decrease in the price of refined products sold by our Energy segment.

In addition to current market conditions, there are long-term factors that may impact the demand for refined products. These factors include mandated renewable fuels standards, proposed climate change laws and regulations, and increased mileage standards for vehicles. The petroleum business is also subject to the Renewable Fuel Standard of the United States Environmental Protection Agency (“RFS”), which requires it to either blend “renewable fuels” with its transportation fuels or purchase renewable identification numbers (“RINs”), in lieu of blending. The price of RINs has been extremely volatile and the future cost of RINs for the petroleum business is difficult to estimate. Additionally, the cost of RINs is dependent upon a variety of factors, which include the availability of RINs for purchase, the price at which RINs can be purchased, transportation fuel production levels, the mix of the petroleum business’ petroleum products, as well as the fuel blending performed at its refineries and downstream terminals, all of which can vary significantly from period to period. Refer to Note 18, “Commitments and Contingencies,” to the consolidated financial statements for further discussion of RINs.

In December 2020, our Energy segment approved a renewable diesel project at one of its refineries, which would convert the refinery’s hydrocracker to a renewable diesel unit (“RDU”) capable of producing 100 million gallons of renewable diesel per year and approximately 180 million RINs annually. As a result of conversion, the crude oil capacity of the refinery will be reduced. Further, the conversion enables our Energy segment to capture additional benefits associated with the existing blenders’ tax credit that expires at the end of 2022 and low carbon fuel standard programs in states such as California. Our Energy segment has additional plans to add pretreating capabilities for the RDU and construction of a similar facility at its other refinery. These collective renewable diesel efforts could reduce our Energy segment’s RFS exposure. However, any actions taken by the Supreme Court, resulting administration efforts under the RFS, such as denial of existing or previous waiver applications, and market conditions could significantly impact the amount by which our Energy segment’s renewable diesel business.

34

[Table of Contents](#TOC)

The following table presents our Energy segment’s net sales, cost of goods sold and gross margin:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Net sales | ​ | $ | 3,930 | ​ | $ | 6,364 | ​ | $ | 7,124 |
| Cost of goods sold | ​ |  | 4,164 | ​ |  | 5,707 | ​ |  | 6,508 |
| Gross margin | ​ | $ | (234) | ​ | $ | 657 | ​ | $ | 616 |

​

Net sales for our Energy segment decreased by approximately $2.4 billion (38%) for the year ended December 31, 2020 as compared to the comparable prior year period, primarily due to a decrease in our petroleum business’ net sales, which decreased approximately $2.4 billion. The decrease in the petroleum business’ net sales was primarily due to a decrease in gasoline sales as well as a decrease in sales of distillates attributable to a decrease in volumes and unfavorable pricing conditions. These decreases were the result of reduced demand and excess supply attributable to the current market dynamics resulting from government actions to address the COVID-19 pandemic. Additionally, during 2020, scheduled maintenance at one refinery has contributed to the decline in volumes. Our nitrogen fertilizer business’ net sales decreased $54 million primarily due to a decrease in UAN sales due to unfavorable pricing, partially offset by an increase in volumes.

Cost of goods sold for our Energy segment decreased by approximately $1.5 billion (27%) for the year ended December 31, 2020 as compared to the comparable prior year period. The decrease was primarily due to our petroleum business as a result of lower cost of consumed crude oil. The lower cost of consumed crude oil was due to a decrease in volumes resulting from the scheduled maintenance, as discussed above, reduced utilization at one refinery, lower crude oil prices and higher derivative gains of $36 million. These decreases were offset in part by a $58 million write-down of inventory to net realizable value in the first quarter of 2020 and a $147 million increase in the net cost of RINs. Gross margin for our Energy segment decreased by $891 million for the year ended December 31, 2020 as compared to the comparable prior year period. Gross margin as a percentage of net sales was (6)% and 10% for the year ended December 31, 2020 and 2019, respectively. The decrease in the gross margin as a percentage of net sales was primarily attributable to the petroleum business, which was primarily due to unfavorable market pricing and crack spreads, offset in part by higher derivative gains over the comparable periods.

***Automotive***

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

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

​

35

[Table of Contents](#TOC)

Our Automotive segment’s priorities include:

|  |  |  |
| --- | --- | --- |
|  | ● | Positioning the service business to take advantage of opportunities in the do-it-for-me market and vehicle fleets; |

|  |  |  |
| --- | --- | --- |
|  | ● | Optimizing the value of the commercial parts distribution business in certain high-volume core markets; |

|  |  |  |
| --- | --- | --- |
|  | ● | Exiting the automotive parts distribution business in certain low volume, non-core markets; |

|  |  |  |
| --- | --- | --- |
|  | ● | Improving inventory management across Icahn Automotive’s parts and tire distribution network; |

|  |  |  |
| --- | --- | --- |
|  | ● | Investment in customer experience initiatives and selective upgrades in facilities; |

|  |  |  |
| --- | --- | --- |
|  | ● | Investment in employees with focus on training and career development investments; and |

|  |  |  |
| --- | --- | --- |
|  | ● | Business process improvements, including investments in our supply chain and information technology capabilities. |

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

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Net sales and other revenue from operations | ​ | $ | 2,478 | ​ | $ | 2,884 | ​ | $ | 2,858 |
| Cost of goods sold and other expenses from operations | ​ |  | 1,793 | ​ |  | 2,089 | ​ |  | 1,976 |
| Gross margin | ​ | $ | 685 | ​ | $ | 795 | ​ | $ | 882 |

​

Net sales and other revenue from operations for our Automotive segment for the year ended December 31, 2020 decreased by $406 million (14%) as compared to the comparable prior year period. The decrease was attributable to a decrease in aftermarket parts sales of $261 million (17%) and a decrease in automotive services revenues of $145 million (11%). On an organic basis, aftermarket parts sales decreased $106 million over the comparable periods due to a decrease in commercial sales of $59 million (6%) and a decrease in retail sales of $47 million (12%). Store closures related to the transformation plan accounted for another $155 million decrease in aftermarket parts sales. The decrease in automotive services revenues represents a decrease on a primarily organic basis. The COVID-19 pandemic, and the impacts of the actions taken by governments and others, have significantly contributed to the decline in revenues, in particular the automotive services revenues and commercial sales revenues which, until March 2020, were experiencing growth on an organic basis.

Cost of goods sold and other expenses from operations for the year ended December 31, 2020 decreased by $296 million (14%) as compared to the comparable prior year period. The decrease was due to lower sales volumes, as described above. Gross margin on net sales and other revenue from operations for the year ended December 31, 2020 decreased by $110 million (14%) as compared to the comparable prior year period. Gross margin as a percentage of net sales and other revenue from operations was 28% for each of the years ended December 31, 2020 and 2019. Our Automotive segment has experienced some margin rate contraction for its aftermarket parts businesses due to the effect of stores that were in the process of closing down and the shift in aftermarket parts sales from retail to commercial, as well as from the negative impact from the COVID-19 pandemic, as described above. This was offset by the acceleration of planned store closures, which resulted in a greater portion of our Automotive segment’s business being derived from higher margin automotive services, as described above.

***​***

36

[Table of Contents](#TOC)

***Food Packaging***

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

Net sales for the year ended December 31, 2020 increased $24 million (6%) as compared to the comparable prior year period. The increase was due to an increase of $17 million in volumes and an increase of $7 million due to price and product mix. Cost of goods sold for the year ended December 31, 2020 increased by $15 million (5%) as compared to the comparable prior year period due to an increase in volumes and lower absorption of manufacturing costs. Gross margin as a percentage of net sales was 20% and 19% for the year ended December 31, 2020 and 2019, respectively.

***Metals***

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

Net sales for the year ended December 31, 2020 decreased by $27 million (8%) compared to the comparable prior year period due to lower shipping volumes driven by the impact of the COVID-19 pandemic. Cost of goods sold for the year ended December 31, 2020 decreased by $45 million (13%) compared to the comparable prior year period due to lower material costs due to lower volumes and market prices. Gross margin as a percentage of net sales was less than 5% and (1)% for the year ended December 31, 2020 and 2019, respectively.

***Real Estate***

Our Real Estate segment consists primarily of investment properties, the development and sale of single-family homes, and the management of a country club. Sales of single-family homes are included in net sales in our consolidated statements of operations. Results from investment properties and country club operations are included in other revenues from operations in our consolidated statements of operations. Revenue from our real estate operations for each of the years ended December 31, 2020 and 2019 were primarily derived from the sale of residential units and rental operations.

***Home Fashion***

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

Net sales for the year ended December 31, 2020 increased by $1 million (1%) compared to the comparable prior year period due to a business acquired in the second quarter of 2019, which accounted for an increase of $21 million, and an increase in sales from newly added facemasks of $15 million, resulting from the COVID-19 pandemic, offset in part by a $35 million decrease from existing businesses, primarily as a result of the current economic conditions. Cost of goods sold for the year ended December 31, 2020 decreased by $9 million (6%) compared to the comparable prior year period due to a decrease in sales from existing businesses, as discussed above, as well as a shift to lower cost products, such as facemasks, offset in part by an increase from the acquired business. Gross margin as a percentage of net sales was 20% and 15% for the year ended December 31, 2020 and 2019, respectively. The increase is due to the reduction in sales to certain lower margin customers, the business acquired having higher margins than the existing businesses and due to the addition of higher margin facemask products.

***Holding Company***

Our Holding Company’s results of operations primarily reflect investment gains and losses from equity investments and the interest expense on its senior unsecured notes for each of the years ended December 31, 2020 and 2019.

37

[Table of Contents](#TOC)

***Other Consolidated Results of Operations***

**Gain On Disposition of Assets, Net**

As discussed in Note 1, "Description of Business," to the consolidated financial statements, we sold Ferrous Resources, resulting in a pretax gain on disposition of assets of $252 million for the year ended December 31, 2019.

**Selling, General and Administrative**

Our consolidated selling, general and administrative during the year ended December 31, 2020 decreased by $184 million (13%) as compared to the comparable prior year period, primarily due to (i) lower occupancy costs for various locations and other general and administrative costs due to the current market conditions for our Automotive segment, (ii) lower deferred compensation and other payroll related costs for our Energy segment, (iii) lower compensation costs for our Investment segment and (iv) the sale of our former Mining segment in August 2019, offset in part by an increase attributable to our Real Estate segment primarily for the demolition costs relating to a property not in service.

**Restructuring**

Our consolidated restructuring, net for the years ended December 31, 2020 and 2019 primarily relates to our Automotive segment’s transformation plan and restructuring activities at our Food Packaging segment. Our Automotive segment’s restructuring, net increased $2 million over the comparable periods as it continues to implement its multi-year transformation plan. Our Food Packaging segment’s restructuring, net was higher in 2019 by $7 million due to restructuring charges for employee costs relating to certain of its European operations. Refer to Note 13, “Segment and Geographic Reporting,” to the consolidated financial statements for net restructuring charges recorded by each of our segments.

**Impairment**

Refer to Note 5, “Fair Value Measurements,” and Note 9, “Goodwill and Intangible Assets, Net,” to the consolidated financial statements for a discussion of impairments of assets, which were not significant.

**Interest Expense**

Our consolidated interest expense during the year ended December 31, 2020 increased by $83 million (14%) as compared the comparable prior year period. The increase was primarily due to higher interest expense from our Investment segment attributable to an increase in average due to broker balances over the respective periods as well as higher interest expense from our Energy segment as a result of certain debt offerings in the first quarter of 2020, which resulted in additional debt outstanding. These increases were offset in part by lower interest expense for our Automotive segment, due to lower debt outstanding and lower variable rate interest, as well as due to our Holding Company as a result of certain debt refinancings in the first quarter of 2020, which resulted in outstanding debt with lower interest rates.

**Income Tax Expense**

Certain of our subsidiaries are partnerships not subject to taxation in our consolidated financial statements and certain other subsidiaries are corporations, or subsidiaries of corporations, subject to taxation in our consolidated financial statements. Therefore, our consolidated effective tax rate generally differs from the statutory federal tax rate. Refer to Note 15, “Income Taxes,” to the consolidated financial statements for a discussion of income taxes.

In addition, in accordance with FASB ASC Topic 740, *Income Taxes*, we analyze all positive and negative evidence and maintain a valuation allowance on deferred tax assets that are not considered more likely than not to be realized.

38

[Table of Contents](#TOC)

**Liquidity and Capital Resources**

***Holding Company Liquidity***

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

As of December 31, 2020, our Holding Company had cash and cash equivalents of $925 million and total debt of approximately $5.8 billion. As of December 31, 2020, our Holding Company had investments in the Investment Funds with a total fair market value of approximately $4.3 billion. We may redeem our direct investment in the Investment Funds upon notice. See “Investment Segment Liquidity” below for additional information with respect to our Investment segment liquidity. See “Consolidated Cash Flows” below for additional information with respect to our Holding Company liquidity.

*Holding Company Borrowings and Availability*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| 5.875% senior unsecured notes due 2022 | ​ | $ | — | ​ | $ | 1,345 |
| 6.250% senior unsecured notes due 2022 | ​ |  | 1,209 | ​ |  | 1,211 |
| 6.750% senior unsecured notes due 2024 | ​ |  | 499 | ​ |  | 498 |
| 4.750% senior unsecured notes due 2024 | ​ |  | 1,106 | ​ |  | 498 |
| 6.375% senior unsecured notes due 2025 | ​ |  | 748 | ​ |  | 748 |
| 6.250% senior unsecured notes due 2026 | ​ |  | 1,250 | ​ |  | 1,250 |
| 5.250% senior unsecured notes due 2027 | ​ |  | 999 | ​ |  | 747 |
| ​ | ​ | $ | 5,811 | ​ | $ | 6,297 |

​

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

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

In January 2021, the Issuers issued $750 million in aggregate principal amount of the New 2029 Notes. The proceeds from these notes, together with cash on hand, were used to redeem $750 million principal amount of our 6.250% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses.

Each of our senior unsecured notes and the related guarantees are the senior unsecured obligations of the Issuers and rank equally with all of the Issuers’ and the Guarantor’s existing and future senior unsecured indebtedness and senior to all of the Issuers’ and the Guarantor’s existing and future subordinated indebtedness. Each of our senior unsecured notes and the related guarantees are effectively subordinated to the Issuers’ and the Guarantor’s existing and future

39

[Table of Contents](#TOC)

secured indebtedness to the extent of the collateral securing such indebtedness. Each of our senior unsecured notes and the related guarantees are also effectively subordinated to all indebtedness and other liabilities of the Issuers’ subsidiaries other than the Guarantor.

The indentures governing our senior unsecured notes described above restrict the payment of cash distributions, the purchase of equity interests or the purchase, redemption, defeasance or acquisition of debt subordinated to the senior unsecured notes. The indentures also restrict the incurrence of debt or the issuance of disqualified stock, as defined in the indentures, with certain exceptions. In addition, the indentures require that on each quarterly determination date, Icahn Enterprises and the guarantor of the notes (currently only Icahn Enterprises Holdings) maintain certain minimum financial ratios, as defined therein. The indentures also restrict the creation of liens, mergers, consolidations and sales of substantially all of our assets, and transactions with affiliates. Additionally, each of the senior unsecured notes outstanding as of December 31, 2020, except for the New 2024 Notes, the New 2027 Notes and the New 2029 Notes, are subject to optional redemption premiums in the event we redeem any of the notes prior to certain dates as described in the indentures.

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

*Future Debt Service Obligations*

In January 2021, we redeemed $750 million principal amount of our 6.250% senior unsecured notes due 2022, as described above, and our Holding Company has $455 million in principal amount remaining on such notes, which mature on February 1, 2022.

For 2021, interest payments on our Holding Company’s senior unsecured notes will be approximately $333 million, including the effects of the debt refinancing transaction in January 2021, as described above. Such interest payments, which do not contemplate any other potential future debt refinancings, will be approximately $311 million for 2022, $297 million for 2023 and an aggregate of $739 million for 2024 through 2029.

*2019 At-The-Market Offering*

On May 2, 2019, Icahn Enterprises announced the commencement of its “at-the-market” offering pursuant to its Open Market Sale Agreement, pursuant to which Icahn Enterprises may sell its depositary units, from time to time, during the term of the program ending on March 31, 2021, for up to $400 million in aggregate sale proceeds. During the year ended December 31, 2020, Icahn Enterprises sold 1,908,099 depositary units pursuant to this agreement, resulting in gross proceeds of $101 million. As of December 31, 2020, Icahn Enterprises may sell its depositary units for up to an additional $244 million in aggregate sale proceeds pursuant to this agreement.

*LP Unit Distributions*

During the year ended December 31, 2020, we declared four quarterly distributions aggregating $8.00 per depositary unit. In connection with these distributions, aggregate cash distributions to all depositary unitholders was $516 million, of which $422 million relates to the distribution declared in the first quarter of 2020. Mr. Icahn and his affiliates have historically elected to receive their distributions in additional units; however, in the first quarter of 2020, they received their distribution in cash. For the distributions declared in the second, third and fourth quarters of 2020, Mr. Icahn and his affiliates elected to receive their distributions in additional units and cash distributions paid to other depositary unitholders was $30 million, $31 million and $33 million, respectively. Mr. Icahn and his affiliates may in the future elect to receive all or a portion of their distributions in cash or in additional depositary units.

On February 24, 2021, the Board of Directors of the general partner of Icahn Enterprises declared a quarterly distribution in the amount of $2.00 per depositary unit. The quarterly distribution is payable in either cash or additional depositary units, at the election of each depositary unitholder and will be paid on or about April 28, 2021 to depositary

40

[Table of Contents](#TOC)

unitholders of record at the close of business on March 26, 2021. Depositary unitholders will have until April 16, 2021 to make an election to receive either cash or additional depositary units; if a holder does not make an election, it will automatically be deemed to have elected to receive the distribution in additional depositary units.

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

***Investment Segment Liquidity***

During the year ended December 31, 2020, we invested $750 million in the Investment Funds, net of redemptions, and affiliates of Mr. Icahn (excluding us) contributed approximately $1.2 billion of primarily like-kind investments in the Investment Funds. In addition to investments by us and Mr. Icahn, the Investment Funds historically have access to significant amounts of cash available from prime brokerage lines of credit, subject to customary terms and market conditions.

Additionally, our Investment segment liquidity is driven by the investment activities and performance of the Investment Funds. As of December 31, 2020, the Investment Funds’ had a net short notional exposure of 52%. The Investment Funds’ long exposure was 90% (89% long equity and 1% long credit and other) and its short exposure was 142% (119% short equity and 23% short credit and other). The notional exposure represents the ratio of the notional exposure of the Investment Funds’ invested capital to the net asset value of the Investment Funds at December 31, 2020.

Of the Investment Funds’ 90% long exposure, 88% was comprised of the fair value of its long positions (with certain adjustments) and 2% was comprised of single name equity forward contracts and credit contracts. Of the Investment Funds’ 142% short exposure, 27% was comprised of the fair value of its short positions and 115% was comprised of short broad market index swap derivative contracts and short credit default swap contracts.

With respect to both our long positions that are not notionalized (88% long exposure) and our short positions that are not notionalized (27% short), each 1% change in exposure as a result of purchases or sales (assuming no change in value) would have a 1% impact on our cash and cash equivalents (as a percentage of net asset value). Changes in exposure as a result of purchases and sales as well as adverse changes in market value would also have an effect on funds available to us pursuant to prime brokerage lines of credit.

With respect to the notional value of our other short positions (115% short exposure), for short positions in an unrealized loss position, our liquidity would decrease by the balance sheet unrealized loss if we were to close the positions at year end prices. This would be offset by a release of restricted cash balances collateralizing these positions as well as an increase in funds available to us pursuant to certain prime brokerage lines of credit. If we were to increase our short exposure by adding to these short positions, we would be required to provide cash collateral equal to a small percentage of the initial notional value at counterparties that require cash as collateral and then post additional collateral equal to 100% of the mark to market on adverse changes in fair value. For our counterparties who do not require cash collateral, funds available from lines of credit would decrease.

***​***

41

[Table of Contents](#TOC)

***Other Segment Liquidity***

*Segment Cash and Cash Equivalents*

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Energy | ​ | $ | 667 | ​ | $ | 652 |
| Automotive | ​ |  | 45 | ​ |  | 46 |
| Food Packaging | ​ |  | 16 | ​ |  | 22 |
| Metals | ​ |  | 1 | ​ |  | 3 |
| Real Estate | ​ |  | 21 | ​ |  | 53 |
| Home Fashion | ​ |  | 2 | ​ |  | 1 |
| Pharma | ​ | ​ | 8 | ​ | ​ | — |
| ​ | ​ | $ | 760 | ​ | $ | 777 |

​

*Segment Borrowings and Availability*

Segment debt consists of the following:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Energy | ​ | $ | 1,691 | ​ | $ | 1,195 |
| Automotive | ​ |  | 368 | ​ |  | 405 |
| Food Packaging | ​ |  | 151 | ​ |  | 268 |
| Metals | ​ |  | 16 | ​ |  | 7 |
| Real Estate | ​ |  | 1 | ​ |  | 2 |
| Home Fashion | ​ |  | 21 | ​ |  | 18 |
| ​ | ​ | $ | 2,248 | ​ | $ | 1,895 |

​

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

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

As of December 31, 2020, all of our subsidiaries were in compliance with all debt covenants.

​

42

[Table of Contents](#TOC)

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

|  |  |  |  |
| --- | --- | --- | --- |
| ​ | ​ | ​ | ​ |
| ​ |  | **December 31,** | |
| ​ | **​** | **2020** | |
| ​ | ​ | (in millions) | |
| Energy | ​ | $ | 385 |
| Automotive |  | ​ | 96 |
| Food Packaging |  | ​ | 36 |
| Metals |  | ​ | 49 |
| Home Fashion |  | ​ | 20 |
| ​ | ​ | $ | 586 |

​

The above outstanding debt and borrowing availability with respect to each of our continuing operating segments reflects third-party obligations. Certain terms of financings for certain of our businesses impose restrictions on the business’ ability to transfer funds to us, including restrictions on dividends, distribution, loans and other transactions. See Note 11, “Debt,” to the consolidated financial statements for further discussion regarding our segment debt, including information relating to maturities, interest rates and borrowing availabilities.

*Future Debt Service Obligations*

Future debt service obligations for our other operating segments are primarily within our Energy and Automotive segments.

As of December 31, 2020, our Energy segment’s future debt maturities (excluding financing leases) are $645 million for 2023, $600 million for 2025 and $400 million for 2028, and future interest payments for our Energy segment are expected to be approximately $120 million for each of 2021, 2022 and 2023. Interest payments are expected to be $60 million for 2024 and 2025 and an aggregate of $78 million for 2026 through 2028.

As of December 31, 2020, our Automotive segment’s future debt maturities are $351 million for 2021 and future interest payments for our Automotive segment are expected to be $9 million in 2021. Our Automotive segment intends to refinance its debt prior to maturity.

*Subsidiary Dividends*

In view of the uncertainty of the depth and extent of the contraction in oil demand due to the COVID-19 pandemic, combined with the weaker commodity price environment, CVR Energy has remained focused on safe and reliable operations, cash conservation and protecting its balance sheet. As a result of these factors, and in light of the uncertainty of the current economic environment as well as potential future cash requirements of CVR Energy, the Board of Directors of CVR Energy approved a reduction in its cash dividend for the first quarter of 2020 and elected not to declare a cash dividend for the second, third and fourth quarters of 2020. These decisions support CVR Energy’s continued focus on financial discipline through a balanced approach of stockholder distributions and strategic investments while providing the flexibility to weather the uncertain environment. The Board of Directors of CVR Energy will continue to evaluate the economic environment, CVR Energy’s cash needs, and other applicable factors, and may elect to make additional changes to CVR Energy’s dividend in future periods.

*Subsidiary Stock Repurchase Program*

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

43

[Table of Contents](#TOC)

its common stock as of December 31, 2020. Due to the market and oil price volatility, coupled with the current economic conditions, CVR Energy does not currently intend to repurchase any stock if these, and other, conditions continue.

On May 6, 2020, the Board of Directors of CVR Partners’ general partner approved a unit repurchase program which would enable it to repurchase up to $10 million of its common units from time to time through open market transactions, block trades, privately negotiated transactions or otherwise in accordance with applicable securities laws. During 2020, CVR Partners repurchased common units on the open market at a cost of $7 million. As of December 31, 2020, CVR Partners has $3 million remaining under its unit repurchase program. On February 22, 2021, the Board of Directors of CVR Partners authorized an additional $10 million under the unit repurchase program.

*Purchase Obligations*

Future purchase obligations for our other operating segments are primarily within our Energy and Pharma segments, as discussed in Note 18, “Commitments and Contingencies,” to the consolidated financial statements.

***Consolidated Cash Flows***

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

​

44

[Table of Contents](#TOC)

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

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31, 2020** | | | | | | | | ​ | **Year Ended December 31, 2019** | | | | | | | | ​ | **Year Ended December 31, 2018** | | | | | | | |  |
| ​ | **​** | **Net Cash Provided By (Used In)** | | | | | | | | ​ | **Net Cash Provided By (Used In)** | | | | | | | | ​ | **Net Cash Provided By (Used In)** | | | | | | | |  |
| ​ | **​** | **Operating** | | **​** | **Investing** | | **​** | **Financing** | | **​** | **Operating** | | **​** | **Investing** | | **​** | **Financing** | | **​** | **Operating** | | **​** | **Investing** | | **​** | **Financing** | |  |
| ​ |  | **Activities** | |  | **Activities** | |  | **Activities** | |  | **Activities** | |  | **Activities** | |  | **Activities** | |  | **Activities** | |  | **Activities** | |  | **Activities** | |  |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | | | | | | | | | | |  |
| Holding Company | ​ | $ | (351) | ​ | $ | (954) | ​ | $ | (911) | ​ | $ | (322) | ​ | $ | 898 | ​ | $ | 738 | ​ | $ | (315) | ​ | $ | 1,729 | ​ | $ | (102) | ​ |
| Investment | ​ |  | (191) | ​ |  | — | ​ |  | 763 | ​ |  | (1,873) | ​ |  | — | ​ |  | 220 | ​ |  | (116) | ​ |  | — | ​ |  | 2,018 | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Other Operating Segments: | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |
| Energy | ​ |  | 90 | ​ |  | (423) | ​ | ​ | 355 | ​ |  | 747 | ​ |  | (121) | ​ |  | (642) | ​ |  | 628 | ​ |  | (108) | ​ |  | (334) | ​ |
| Automotive | ​ |  | (9) | ​ | ​ | 53 | ​ |  | (45) | ​ |  | (134) | ​ | ​ | (104) | ​ |  | 241 | ​ |  | (190) | ​ |  | (134) | ​ |  | 315 | ​ |
| Food Packaging | ​ |  | 34 | ​ |  | (19) | ​ |  | (18) | ​ |  | — | ​ |  | (17) | ​ |  | (5) | ​ |  | 9 | ​ |  | (25) | ​ |  | 46 | ​ |
| Metals | ​ |  | (14) | ​ |  | (1) | ​ |  | 9 | ​ |  | 13 | ​ |  | (30) | ​ |  | 5 | ​ |  | 14 | ​ |  | (20) | ​ |  | (1) | ​ |
| Real Estate | ​ |  | 24 | ​ |  | (4) | ​ |  | (46) | ​ |  | 20 | ​ |  | (22) | ​ |  | (8) | ​ |  | 412 | ​ |  | 168 | ​ |  | (552) | ​ |
| Home Fashion | ​ |  | 3 | ​ |  | (5) | ​ |  | 2 | ​ |  | (4) | ​ |  | (27) | ​ |  | 36 | ​ |  | 3 | ​ |  | (4) | ​ |  | — | ​ |
| Pharma | ​ | ​ | (2) | ​ | ​ | 12 | ​ | ​ | (2) | ​ | ​ | — | ​ | ​ | — | ​ | ​ | — | ​ | ​ | — | ​ | ​ | — | ​ | ​ | — | ​ |
| Mining | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 93 | ​ |  | (14) | ​ |  | 4 | ​ |  | 4 | ​ |  | (40) | ​ |  | 32 | ​ |
| Other operating segments | ​ |  | 126 | ​ |  | (387) | ​ |  | 255 | ​ |  | 735 | ​ |  | (335) | ​ |  | (369) | ​ |  | 880 | ​ |  | (163) | ​ |  | (494) | ​ |
| Discontinued operations | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 474 | ​ |  | (437) | ​ |  | (121) | ​ |
| Total before eliminations | ​ |  | (416) | ​ |  | (1,341) | ​ |  | 107 | ​ |  | (1,460) | ​ |  | 563 | ​ |  | 589 | ​ |  | 923 | ​ |  | 1,129 | ​ |  | 1,301 | ​ |
| Eliminations | ​ |  | — | ​ |  | 760 | ​ |  | (760) | ​ |  | — | ​ |  | 23 | ​ |  | (23) | ​ |  | — | ​ |  | 1,458 | ​ |  | (1,458) | ​ |
| Consolidated | ​ | $ | (416) | ​ | $ | (581) | ​ | $ | (653) | ​ | $ | (1,460) | ​ | $ | 586 | ​ | $ | 566 | ​ | $ | 923 | ​ | $ | 2,587 | ​ | $ | (157) | ​ |

​

The discussion of consolidated cash flows below primarily discusses the comparisons between the years ended December 31, 2020 and 2019. Refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, filed on February 28, 2020, which is incorporated by reference herein, for additional discussion of consolidated cash flows for the comparisons between the years ended December 31, 2019 and 2018.

*Eliminations*

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

*​*

45

[Table of Contents](#TOC)

*Holding Company*

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| **Operating Activities:** | ​ | ​ |  |  | ​ |  |  | ​ |  |
| Cash payments for interest on senior unsecured notes | ​ | $ | (366) | ​ | $ | (374) | ​ | $ | (339) |
| Interest and dividend income | ​ |  | 22 | ​ |  | 69 | ​ |  | 24 |
| Net cash receipts for income taxes, net of payments | ​ |  | 22 | ​ |  | 7 | ​ |  | 15 |
| Operating transactions with subsidiaries | ​ |  | — | ​ |  | — | ​ |  | 13 |
| Operating costs and other | ​ |  | (29) | ​ |  | (24) | ​ |  | (28) |
| ​ | ​ | $ | (351) | ​ | $ | (322) | ​ | $ | (315) |
| **Investing Activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Proceeds from sale of businesses and assets | ​ | $ | — | ​ | $ | 463 | ​ | $ | 3,187 |
| Purchases of investments | ​ |  | (197) | ​ |  | — | ​ |  | — |
| Proceeds from sale of investments | ​ |  | 22 | ​ |  | 458 | ​ |  | — |
| Proceeds from sale of CVR Refining common units to CVR Energy | ​ |  | — | ​ |  | 60 | ​ |  | — |
| Net investments in the Investment Funds | ​ |  | (750) | ​ |  | — | ​ |  | (1,708) |
| Net (investments in) distributions from other operating segments | ​ |  | (10) | ​ |  | (83) | ​ |  | 250 |
| Other investing activities, net | ​ | ​ | (19) | ​ | ​ | — | ​ | ​ | — |
| ​ | ​ | $ | (954) | ​ | $ | 898 | ​ | $ | 1,729 |
| **Financing Activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Partnership contributions | ​ | $ | 102 | ​ | $ | 55 | ​ | $ | — |
| Partnership distributions | ​ |  | (526) | ​ |  | (112) | ​ |  | (97) |
| Payments to acquire additional interests in subsidiaries | ​ |  | — | ​ |  | — | ​ |  | (5) |
| Net debt transactions | ​ |  | (487) | ​ |  | 795 | ​ |  | — |
| ​ | ​ | $ | (911) | ​ | $ | 738 | ​ | $ | (102) |
| (Decrease) increase in cash and cash equivalents and restricted cash and restricted cash equivalents | ​ | $ | (2,216) | ​ | $ | 1,314 | ​ | $ | 1,312 |

​

The decrease in interest payments during 2020 compared to 2019 is due to lower interest rates on certain of our senior unsecured notes due to certain debt refinancings in the first quarter of 2020.

Net cash receipts for income taxes, net of payments, is net of tax sharing receipts (payments) from certain of our consolidated subsidiaries aggregating $10 million, $(3) million and $27 million during the years ended December 31, 2020, 2019 and 2018, respectively.

Proceeds from the sale of businesses includes proceeds from the sales Ferrous Resources in 2019, Federal-Mogul, Tropicana and ARI in 2018 and residual sales of American Railcar Leasing LLC’s remaining railcars also in 2018. The cash flows with respect to each of Federal-Mogul, Tropicana and ARI are reported in discontinued operations for all periods presented and the cash proceeds from each of the sales remain with our Holding Company in continuing operations.

Purchase of investments in 2020 relates to the purchase of an equity investment and a debt investment. Proceeds from the sale of investments in 2020 primarily relates to proceeds from the sale of an equity investment. Proceeds from the sale of investments in 2019 related to the sale of a certain equity investment.

During 2020 and 2019, we received $102 million and $55 million, respectively, (including $2 million and $1 million, respectively, from our general partner) in connection with our “at-the-market” offering pursuant to our Open Market Sale Agreement announced in May 2019, as discussed above.

46

[Table of Contents](#TOC)

Net (investments in) distributions from the Investment Funds, Net distributions from (investments in) other operating segments and Note (repayment) proceeds from other operating segments are eliminated in consolidation and discussed further below.

*Investment Segment*

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

Our Investment segment’s cash flows from financing activities for the comparable periods were due to contributions from, and distributions to, our Holding Company, Mr. Icahn and his affiliates and Brett Icahn. Our Investment segment had net cash provided by financing activities of $763 million for the year ended December 31, 2020, including an investment from us of $750 million, net of redemptions, a contribution of $12 million from Brett Icahn in accordance with his manager agreement and $1 million from Mr. Icahn and his affiliates (excluding us). For the year ended December 31, 2019, our Investment segment had net cash provided by financing activities of $220 million, for contributions received from Mr. Icahn and his affiliates (excluding us). For the year ended December 31, 2018, our Investment segment had net cash provided by financing activities of $2.0 billion, which included our $1.7 billion net investment in the Investment Funds as well as $310 million received from Mr. Icahn and his affiliates (excluding us).

*Other Operating Segments*

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| **Operating Activities:** |  | ​ |  |  | ​ |  |  | ​ |  |
| Net cash flow from operating activities before changes in operating assets and liabilities | ​ | $ | (49) | ​ | $ | 652 | ​ | $ | 784 |
| Changes in operating assets and liabilities | ​ |  | 175 | ​ |  | 83 | ​ |  | 104 |
| Transactions with Holding Company | ​ |  | — | ​ |  | — | ​ |  | (8) |
| ​ | ​ | $ | 126 | ​ | $ | 735 | ​ | $ | 880 |
| **Investing Activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Capital expenditures | ​ | $ | (197) | ​ | $ | (250) | ​ | $ | (272) |
| Turnaround expenditures | ​ | ​ | (159) | ​ | ​ | (38) | ​ | ​ | (8) |
| Acquisition of businesses, net of cash acquired | ​ | ​ | 10 | ​ |  | (39) | ​ |  | (15) |
| Purchases of investments | ​ | ​ | (140) | ​ | ​ | (50) | ​ | ​ | (60) |
| Proceeds from sale of investments | ​ | ​ | 75 | ​ | ​ | — | ​ | ​ | 1 |
| Proceeds from sale of assets | ​ |  | 25 | ​ |  | 42 | ​ |  | 183 |
| Other | ​ |  | (1) | ​ |  | — | ​ |  | 8 |
| ​ | ​ | $ | (387) | ​ | $ | (335) | ​ | $ | (163) |
| **Financing Activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Net debt and supply chain financing activity | ​ | $ | 302 | ​ | $ | (37) | ​ | $ | (78) |
| Distributions to non-controlling interests | ​ |  | (36) | ​ |  | (119) | ​ |  | (139) |
| Payments to acquire additional interests in consolidated subsidiaries | ​ |  | — | ​ |  | (301) | ​ |  | — |
| Net contributions from (distributions to) Holding Company | ​ |  | 10 | ​ |  | 83 | ​ |  | (292) |
| Other | ​ |  | (21) | ​ |  | 5 | ​ |  | 15 |
| ​ | ​ | $ | 255 | ​ | $ | (369) | ​ | $ | (494) |
| Effect of exchange rate changes on cash and cash equivalents and restricted cash and restricted cash equivalents | ​ |  | (4) | ​ |  | (2) | ​ |  | (2) |
| Add back change in cash and restricted cash of assets held for sale | ​ |  | — | ​ |  | — | ​ |  | (8) |
| Increase in cash and cash equivalents and restricted cash and restricted cash equivalents | ​ | $ | (10) | ​ | $ | 29 | ​ | $ | 213 |

​

47

[Table of Contents](#TOC)

Our other operating segments’ net cash flow from operating activities before changes in operating assets and liabilities were primarily attributable to our Automotive segment’s negative results in 2020 and our Energy segment’s positive results from operations for 2019 and 2018.

Changes in operating assets and liabilities for 2020 were primarily attributable to our Automotive segment resulting from inventory reductions. Changes in operating assets and liabilities for 2019 were primarily attributable to our Energy segment resulting primarily from an increase in accounts payable.

Capital expenditures are primarily from our Energy and Automotive segments and are primarily for maintenance. Refer to Note 13, “Segment and Geographic Reporting,” for capital expenditures reported for each of our segments. Capital expenditures decreased in 2020 compared to 2019 due to a reduction in capital expenditures at our Metals segment resulting from a reduction in growth expenditures and due to a reduction at our Automotive segment due to fewer stores requiring maintenance expenditures. Turnaround expenditures relates to our Energy segment, which increased in 2020 due to planned maintenance at one of its refineries.

Acquisition of businesses, net of cash acquired, primarily relates to our Automotive segment. Our Automotive segment’s acquisitions included various service businesses aggregating $2 million in 2020, $10 million in 2019 and $15 million in 2018. In addition, our Home Fashion and Metals segments acquired businesses for $21 million and $8 million, respectively, in 2019. During 2020, Vivus’ emergence from bankruptcy included $12 million of cash acquired reported for our Pharma segment with the cash portion of the consideration paid included in the Holding Company discussion above.

Purchases of investments primarily relates to our Energy segment’s purchase of an equity investment in 2020 and our Automotive segment’s investments in 767 Leasing in 2019 and 2018. Proceeds from sale of investments relates to our Automotive segment’s cash received from 767 Leasing in 2020.

Proceeds from sale of assets are primarily due to our Automotive and Real Estate segments in 2020, our Energy segment in 2019 and our Real Estate segment’s dispositions of certain properties in 2018.

Distributions to non-controlling interests were from our Energy segment for the years ended December 31, 2020, 2019 and 2018, relating to its regular quarterly dividends and distributions, excluding payments made to us. Due to the current economic conditions, our Energy segment only paid dividends in 2020 relating to the fourth quarter of 2019 and a reduced dividend relating to the first quarter of 2020.

Net payments to acquire additional interests in consolidated subsidiaries relates to our Energy segment’s acquisition of the remaining common units of CVR Refining during 2019, which includes $60 million paid to us for our direct investment in CVR Refining.

Net contributions from and distributions to our Holding Company include the dividends and distributions paid by our Energy segment of $85 million, $217 million and $192 million for the years ended December 31, 2020, 2019 and 2018, respectively, as well as by our Real Estate segment of $68 million, $24 million and $543 million, respectively, and by our Automotive segment of $75 million in 2020. During the years ended December 31, 2020, 2019 and 2018, our Automotive segment received funds in the form of investments from our Holding Company of $115 million, $276 million and $365 million, respectively, primarily for the acquisition of businesses, investments in 767 Leasing and costs associated with our Automotive segment’s multi-year transformation plan. During 2020, our Food Packaging segment received funds in the amount of $100 million in connection with Viskase’s equity private placement in October 2020. Our other operating segments received funds in the form of loans and investments from our Holding Company aggregating $23 million, $17 million and $34 million during the years ended December 31, 2020, 2019 and 2018, respectively.

***​***

48

[Table of Contents](#TOC)

***Consolidated Capital Spending***

Refer to Note 13, “Segment and Geographic Reporting,” for a reconciliation of our segments’ capital expenditures to consolidated capital expenditures for each of the years ended December 31, 2020, 2019 and 2018. In addition, our Energy segment had turnaround expenditures of $159 million, $38 million and $8 million during the years ended December 31, 2020, 2019 and 2018, respectively, which is reported separately from capital expenditures.

For 2021, we estimate our consolidated capital expenditures to be approximately $215 million to $230 million for our Energy segment, for both maintenance and growth, including $95 million to $100 million for our Energy segments’ renewable diesel unit capital expenditures, $89 million for our Automotive segment, primarily for maintenance and restructuring related activities, and approximately $48 million in the aggregate for all other segments. Our Energy segment also expects its turnaround expenditures to be approximately $18 million to $19 million in 2021.

In addition, our Energy segment approved a renewable diesel project at one of its refineries, which would convert the refinery’s hydrocracker to a renewable diesel unit capable of producing 100 million gallons of renewable diesel per year. The total estimated costs for the project are currently $110 million and completion of the project is expected in June 2021.

**Critical Accounting Estimates**

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Among others, estimates are used when accounting for valuation of investments. Estimates used in determining fair value measurements include, but are not limited to, expected future cash flow assumptions, market rate assumptions for contractual obligations, actuarial assumptions for benefit plans, settlement plans for litigation and contingencies, and appropriate discount rates. Estimates and assumptions are evaluated on an ongoing basis and are based on historical and other factors believed to be reasonable under the circumstances. The results of these estimates may form the basis of the carrying value of certain assets and liabilities and may not be readily apparent from other sources. Actual results, under conditions and circumstances different from those assumed, may differ from estimates.

We believe the following accounting estimates are critical to our business operations and the understanding of results of operations and affect the more significant judgments and estimates used in the preparation of our consolidated financial statements.

***Income Taxes***

Except as described below, no provision has been made for federal, state, local or foreign income taxes on the results of operations generated by partnership activities as such taxes are the responsibility of the partners. Our corporate subsidiaries account for their income taxes under the asset and liability method.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Management periodically evaluates all evidence, both positive and negative, in determining whether a valuation allowance to reduce the carrying value of deferred tax assets is still needed. For each of December 31, 2020 and 2019, we concluded, based on the projections of taxable income, that certain of our corporate subsidiaries more likely than not will realize a partial benefit from their deferred tax assets and loss carry forwards. Ultimate realization of the deferred

49

[Table of Contents](#TOC)

tax assets is dependent upon, among other factors, our corporate subsidiaries’ ability to generate sufficient taxable income within the carryforward periods and is subject to change depending on the tax laws in effect in the years in which the carryforwards are used.

See Note 15, “Income Taxes,” to the consolidated financial statements for further discussion regarding our income taxes.

***Valuation of Investments***

The fair value of our investments, including securities sold, not yet purchased, is based on observable market prices when available. Securities owned by the Investment Funds that are listed on a securities exchange are valued at their last sales price on the primary securities exchange on which such securities are traded on such date. Securities that are not listed on any exchange but are traded over-the-counter are valued at the mean between the last “bid” and “ask” price for such security on such date. Securities and other instruments for which market quotes are not readily available are valued at fair value as determined in good faith by the applicable general partner. For some investments little market activity may exist; management’s determination of fair value is then based on the best information available in the circumstances and may incorporate management’s own assumptions and involves a significant degree of judgment.

***Long-Lived Assets and Goodwill***

We calculate depreciation and amortization on a straight-line basis over the estimated useful lives of the various definite-lived assets. When assets are placed in service, we make estimates of what we believe are their reasonable useful lives.

*Long-Lived Assets*

Long-lived assets held and used by our various operating segments and long-lived assets to be disposed of are reviewed for impairment whenever events or changes in circumstances indicate a possible significant deterioration in future expected cash flows that could result in the carrying amount of an asset not being recoverable. In performing the review for recoverability, we estimate the future cash flows expected to result from the remaining useful life of the asset and its eventual disposition. Assumptions used in the review of recoverability require the exercise of significant judgment, including judgment about terminal values, growth rates, and the amount and timing of expected future cash flows. The forecasted cash flows are based on current plans and for years beyond that plan, the estimates are based on assumed growth rates. If the sum of the estimated future cash flows, undiscounted and without interest charges, is less than the carrying amount of the asset, a fair value assessment is performed. If the carrying amount of the asset exceeds its fair value, an impairment loss is recognized in accordance with U.S. GAAP. Similarly, long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. As of December 31, 2020, our long-lived assets did not have any impairment indicators. However, during the second quarter of 2020, two primary products of our Energy segment’s nitrogen fertilizer business experienced significant pricing declines resulting from the broader economic conditions caused by the COVID-19 pandemic. There was significant uncertainty as to the nature and extent of the impacts on the overall demand for corn and soybean given reduced ethanol production and broader economic conditions which could negatively impact demand for its products. As a result, we evaluated the long-lived assets of our Energy Segment’s nitrogen fertilizer business to determine if the carrying value of the asset group exceeded its recoverability. Based on our assessment, which included estimating the recoverability of the asset group using an undiscounted cash flow model, we determined that the recoverability of the asset group was significantly in excess of its carrying value and no impairment was necessary.

*Goodwill*

Indefinite-lived intangible assets, such as goodwill and trademarks, held by our various segments are reviewed for impairment annually, or more frequently if impairment indicators exist. Goodwill impairment testing consists of (i) a qualitative analysis to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill, and/or, if necessary, (ii) a quantitative analysis which involves comparing the fair value of our reporting units to their respective carrying values. If the fair value of the reporting unit exceeds its carrying

50

[Table of Contents](#TOC)

value, no impairment is necessary. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss, equal to the difference (limited to the total amount of goodwill allocated to the tested reporting unit), is recognized in accordance with U.S. GAAP. As of December 31, 2020, our consolidated goodwill was $298 million, primarily within our Automotive segment’s Service reporting unit. We perform the annual goodwill impairment test for our Automotive segment as of October 1 of each year. Based on our annual goodwill impairment analysis for our Automotive segment, we determined that the fair value of our Automotive segment’s Service reporting unit was significantly in excess of its carrying value and therefore, no impairment is required. As of December 31, 2020, our Automotive segment had remaining goodwill of $254 million, which is allocated entirely to its Service reporting unit.

When performing the quantitative analysis for goodwill impairment testing, we base the fair value of our reporting units on consideration of various valuation methodologies, including projecting future cash flows discounted at rates commensurate with the risks involved (“DCF”). Assumptions used in a DCF require the exercise of significant judgment, including judgment about appropriate discount rates and terminal values, growth rates, and the amount and timing of expected future cash flows. The forecasted cash flows are based on current plans and for years beyond that plan, the estimates are based on assumed growth rates. We believe that our assumptions are consistent with the plans and estimates used to manage the underlying businesses. The discount rates, which are intended to reflect the risks inherent in future cash flow projections, used in a DCF are based on estimates of the weighted-average cost of capital of a market participant. Such estimates are derived from our analysis of peer companies and consider the industry weighted average return on debt and equity from a market participant perspective. The inputs used to determine the fair values of our reporting units, including future cash flows, discount rates and growth rates and other assumptions involves a significant degree of judgment.

See Note 5, “Fair Value Measurements,” and Note 9, “Goodwill and Intangible Assets, Net,” to the consolidated financial statements for further discussion regarding the fair value measurements of our long-live assets as well as goodwill and intangible assets.

**Recently Issued Accounting Standards**

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

51

[Table of Contents](#TOC)

​

**Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

Our consolidated balance sheets include substantial amounts of assets and liabilities whose fair values are subject to market risks. Our significant market risks are primarily associated with equity prices, commodity prices, interest rates and foreign currency exchange rates as discussed below.

***Equity Price Risk***

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

*Investment*

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

The Investment Funds hold investments that are reported at fair value as of the reporting date, which include securities owned, securities sold, not yet purchased and derivatives as reported in our consolidated balance sheets. Based on their respective balances as of December 31, 2020, we estimate that in the event of a 10% adverse change in the fair value of these investments, the fair values of securities owned, securities sold, not yet purchased and derivatives would decrease by approximately $824 million, $252 million and $1.3 billion, respectively. However, as of December 31, 2020, we estimate that the impact to our share of the net gain (loss) from investment activities reported in our consolidated statements of operations would be less than the change in fair value since we have an investment of approximately 46% in the Investment Funds, and the non-controlling interests in income would correspondingly offset approximately 54% of the change in fair value. As of December 31, 2019, we estimated that in the event of a 10% adverse change in the fair value of these investments, the fair values of securities owned, securities sold, not yet purchased and derivatives would decrease by approximately $921 million, $119 million and $1.8 billion, respectively and as of December 31, 2019, our investment in the Investment Funds was 49%.

*Holding Company*

The carrying values of investments subject to equity price risks are based on quoted market prices or management’s estimates of fair value as of the balance sheet dates. Market prices are subject to fluctuation and, consequently, the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuations in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amounts realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

Based on sensitivity analysis for our equity price risks as of December 31, 2020, the effect of a hypothetical 10% adverse change in market prices would result in loss of approximately $35 million for our Holding Company. As of December 31, 2019, such hypothetical loss was approximately $39 million. The selected hypothetical change does not reflect what could be considered the best- or worst-case scenarios as results could be far worse due to the nature of equity markets.

***Commodity Price Risk***

CVR Refining, as a manufacturer of refined petroleum products, and CVR Partners, as a manufacturer of nitrogen fertilizer products, all of which are commodities, have exposure to market pricing for products sold in the future. In order to realize value from our Energy segment’s processing capacity, a positive spread between the cost of raw

52

[Table of Contents](#TOC)

materials and the value of finished products must be achieved (i.e., gross margin or crack spread). The physical commodities that comprise our raw materials and finished goods are typically bought and sold at a spot or index price that can be highly variable.

Our Energy segment’s petroleum business uses a crude oil purchasing intermediary, Vitol, to purchase the majority of its non-gathered crude oil inventory for the refineries, which allows it to take title to and price its crude oil at locations in close proximity to the refineries, as opposed to the crude oil origination point, reducing its risk associated with volatile commodity prices by shortening the commodity conversion cycle time. The commodity conversion cycle time refers to the time elapsed between raw material acquisition and the sale of finished goods. In addition, the petroleum business seeks to reduce the variability of commodity price exposure by engaging in hedging strategies and transactions that will serve to protect gross margins as forecasted in the annual operating plan. With regard to its hedging activities, CVR Refining may enter into, or has entered into, derivative instruments which serve to: lock in or fix a percentage of the anticipated or planned gross margin in future periods when the derivative market offers commodity spreads that generate positive cash flows; hedge the value of inventories in excess of minimum required inventories; and manage existing derivative positions related to a change in anticipated operations and market conditions.

***Interest Rate Risk***

Our predominant exposure to interest rate risk is related to our operating subsidiaries.

Our operating subsidiaries have variable rate debt with a principal amount outstanding aggregating $533 million as of December 31, 2020, including $350 million for our Automotive segment and $150 million for our Food Packaging segment. A 1.0% increase in interest rates would increase interest expense by approximately $5 million on an annualized basis, thus decreasing net income by the same amount. Additionally, as of December 31, 2020, our operating segments have additional borrowing availability subject to variable interest rates aggregating $586 million, which if outstanding, would increase our operating segments’ exposure to changes in interest rates.

***Foreign Currency Exchange Rate Risk***

Certain of our subsidiaries operate in foreign jurisdictions and we transact business in foreign currencies. In addition, we may hold investments in common stocks of major multinational companies who have significant foreign business and foreign currency risk of their own. Our net assets subject to financial statement translation into U.S. Dollars are primarily in our Food Packaging segment.

*Food Packaging*

Viskase has foreign currency exposures related to buying, selling, and financing in currencies other than the local currencies in which they operate. Viskase is exposed to foreign currency risk due to the translation and remeasurement of the results of certain international operations into U.S. Dollars as part of the consolidation process. Fluctuations in foreign currency exchange rates can therefore create volatility in the results of operations and may adversely affect Viskase’s financial condition. Viskase recorded translation gains (losses) in accumulated other comprehensive loss of $3 million and $(3) million for the years ended December 31, 2020 and 2019, respectively, and recorded translation (losses) gains in earnings of $(5) million and $(4) million for the years ended December 31, 2020 and 2019, respectively.

***Credit Risk***

We and the Investment Funds are subject to certain inherent risks through our investments.

Our entities typically invest excess cash in large money market funds. The money market funds primarily invest in government securities and other short-term, highly liquid instruments with a low risk of loss. The Investment Funds also maintain free credit balances with their prime brokers and in interest bearing accounts at major banking institutions. We seek to diversify our cash investments across several accounts and institutions and monitor performance and counterparty risk.

53

[Table of Contents](#TOC)

The Investment Funds and, to a lesser extent, other entities hold derivative instruments that are subject to credit risk in the event that the counterparties are unable to meet the terms of such agreements. When the Investment Funds make such investments or enter into other arrangements where they might suffer a significant loss through the default or insolvency of a counterparty, we monitor the credit quality of such counterparty and seek to do business with creditworthy counterparties. Counterparty risk is monitored by obtaining and reviewing public information filed by the counterparties and others.

***Compliance Program Price Risk***

As a producer of transportation fuels from petroleum, our Energy segment’s petroleum business is required to blend biofuels into the product it produces or to purchase RINs in the open market in lieu of blending to meet the mandates established by the EPA. CVR Refining is exposed to market risk related to volatility in the price of RINs needed to comply with the Renewable Fuel Standards. To mitigate the impact of this risk on our Energy segment’s results of operations and cash flows, CVR Refining purchased RINs when prices are deemed favorable. See Note 18, “Commitments and Contingencies,” to the consolidated financial statements for further discussion about compliance with the Renewable Fuel Standards.

​

54

[Table of Contents](#TOC)

**Item 8. Financial Statements and Supplementary Data**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors and Partners

Icahn Enterprises L.P.

**Opinion on the financial statements**

We have audited the accompanying consolidated balance sheets of Icahn Enterprises L.P. (a Delaware limited partnership) and subsidiaries (the “Partnership”) as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes and financial statement schedule included under Item 15(a) (collectively referred to as the “financial statements”).  In our opinion, the financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Partnership’s internal control over financial reporting as of December 31, 2020, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 26, 2021 expressed an unqualified opinion.

**Basis for opinion**

These financial statements are the responsibility of the Partnership’s management. Our responsibility is to express an opinion on the Partnership’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

**Critical audit matter**

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

*Long-lived asset impairment assessment*

As described further in Note 2 of the Partnership’s consolidated financial statements, long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable.  In the quarter ended June 30, 2020, the Partnership identified a triggering event at the Coffeyville nitrogen fertilizer plant (“Coffeyville Asset Group”) in the Partnership’s Energy segment.  At June 30, 2020, the carrying value of the Coffeyville Asset Group was $703 million. In performing the test for recoverability, management estimated the undiscounted future cash flows expected to result from the use of the asset and its disposition, which included assumptions related to the remaining useful life of the Coffeyville Asset Group’s primary asset, cash flow forecasts using estimates of

55

[Table of Contents](#TOC)

future nitrogen fertilizer pricing, volumes sold, costs incurred for key process inputs, other operating expenses, long-term growth rates and the estimated disposition value. As a result of the recoverability test, the Partnership concluded that the future undiscounted cash flows of the Coffeyville Asset Group exceeded the carrying amount and no impairment was recorded.

We identified the long-lived asset impairment assessment of the Coffeyville Asset Group as a critical audit matter because of the degree of subjectivity inherent in determining management’s estimates noted above, which required significant auditor judgment in obtaining sufficient appropriate audit evidence.

Our audit procedures related to the long-lived asset impairment assessment of the Coffeyville Asset Group included the following, among others.

|  |  |  |
| --- | --- | --- |
|  | ● | We tested the design and operating effectiveness of certain internal controls relating to management’s long-lived asset impairment evaluation, including identification of indicators that an asset group may not be recoverable and review of assumptions in the estimated future cash flows when indicators of impairment exist. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We evaluated management’s identification of a triggering event by considering the current market conditions following the completion of the spring planting season as well as the economic uncertainty surrounding the COVID-19 pandemic. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We evaluated the reasonableness of future nitrogen fertilizer pricing assumptions by comparing the prices used by management to current industry and economic trends such as the impacts of the COVID-19 pandemic as well as comparing those prices to the historical performance of the Coffeyville Asset Group, performed sensitivity analyses to evaluate the change in the cash flow estimates, and recalculated management’s estimates. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We compared forecasted sales volumes and expenses to historical operating results. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We recalculated the carrying amount of the Coffeyville Asset Group, tested the mathematical accuracy of the undiscounted cash flow model and management’s determination of the remaining useful life of the primary asset. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | With the assistance of our valuation professionals with specialized skills and knowledge, we evaluated the valuation methodologies utilized by management and the significant assumptions, including the long-term growth rates and methodology used in estimating the disposition value. |

​

​

/s/GRANT THORNTON LLP

​

We have served as the Partnership’s auditor since 2004.

​

New York, New York

February 26, 2021

**​**

56

[Table of Contents](#TOC)

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors and Partners

Icahn Enterprises Holdings L.P.

**Opinion on the financial statements**

We have audited the accompanying consolidated balance sheets of Icahn Enterprises Holdings L.P. (a Delaware limited partnership) and subsidiaries (the “Partnership”) as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes and financial statement schedule included under Item 15(a) (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

**Basis for opinion**

These financial statements are the responsibility of the Partnership’s management. Our responsibility is to express an opinion on the Partnership’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Partnership’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

**Critical audit matter**

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

*Long-lived asset impairment assessment*

As described further in Note 2 of the Partnership’s consolidated financial statements, long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable.  In the quarter ended June 30, 2020, the Partnership identified a triggering event at the Coffeyville nitrogen fertilizer plant (“Coffeyville Asset Group”) in the Partnership’s Energy segment.  At June 30, 2020, the carrying value of the Coffeyville Asset Group was $703 million.  In performing the test for recoverability, management estimated the undiscounted future cash flows expected to result from the use of the asset and its disposition, which included assumptions related to the remaining useful life of the Coffeyville Asset Group’s primary asset, cash flow forecasts using estimates of future nitrogen fertilizer pricing, volumes sold, costs incurred for key process inputs, other operating expenses, long-term growth rates and the estimated disposition value.  As a result of the recoverability test, the Partnership concluded that the

57

[Table of Contents](#TOC)

future undiscounted cash flows of the Coffeyville Asset Group exceeded the carrying amount and no impairment was recorded.

We identified the long-lived asset impairment assessment of the Coffeyville Asset Group as a critical audit matter because of the degree of subjectivity inherent in determining management’s estimates noted above, which required significant auditor judgment in obtaining sufficient appropriate audit evidence.

Our audit procedures related to the long-lived asset impairment assessment of the Coffeyville Asset Group included the following, among others.

​

|  |  |  |
| --- | --- | --- |
|  | ● | We tested the design and operating effectiveness of certain internal controls relating to management’s long-lived asset impairment evaluation, including identification of indicators that an asset group may not be recoverable and review of assumptions in the estimated future cash flows when indicators of impairment exist. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We evaluated management’s identification of a triggering event by considering the current market conditions following the completion of the spring planting season as well as the economic uncertainty surrounding the COVID-19 pandemic. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We evaluated the reasonableness of future nitrogen fertilizer pricing assumptions by comparing the prices used by management to current industry and economic trends such as the impacts of the COVID-19 pandemic as well as comparing those prices to the historical performance of the Coffeyville Asset Group, performed sensitivity analyses to evaluate the change in the cash flow estimates, and recalculated management’s estimates. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We compared forecasted sales volumes and expenses to historical operating results. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | We recalculated the carrying amount of the Coffeyville Asset Group, tested the mathematical accuracy of the undiscounted cash flow model and management’s determination of the remaining useful life of the primary asset. |

​

|  |  |  |
| --- | --- | --- |
|  | ● | With the assistance of our valuation professionals with specialized skills and knowledge, we evaluated the valuation methodologies utilized by management and the significant assumptions, including the long-term growth rates and methodology used in estimating the disposition value. |

​

/s/GRANT THORNTON LLP

​

We have served as the Partnership’s auditor since 2004.

​

New York, New York

February 26, 2021

​

58

[Table of Contents](#TOC)

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (In millions, except unit amounts) | | | | |
| **ASSETS** | ​ | ​ | ​ | ​ | ​ | ​ |
| Cash and cash equivalents | ​ | $ | 1,699 | ​ | $ | 3,794 |
| Cash held at consolidated affiliated partnerships and restricted cash | ​ |  | 1,592 | ​ |  | 1,151 |
| Investments | ​ |  | 8,913 | ​ |  | 9,945 |
| Due from brokers | ​ |  | 3,437 | ​ |  | 858 |
| Accounts receivable, net | ​ |  | 502 | ​ |  | 483 |
| Inventories, net | ​ |  | 1,580 | ​ |  | 1,795 |
| Property, plant and equipment, net | ​ |  | 4,228 | ​ |  | 4,454 |
| Unrealized gain on derivative contracts | ​ | ​ | 785 | ​ | ​ | 182 |
| Goodwill | ​ |  | 298 | ​ |  | 282 |
| Intangible assets, net | ​ |  | 660 | ​ |  | 431 |
| Other assets | ​ |  | 1,293 | ​ |  | 1,264 |
| **Total Assets** | ​ | $ | 24,987 | ​ | $ | 24,639 |
| **LIABILITIES AND EQUITY** | ​ |  |  | ​ |  |  |
| Accounts payable | ​ | $ | 738 | ​ | $ | 945 |
| Accrued expenses and other liabilities | ​ |  | 1,586 | ​ |  | 1,453 |
| Deferred tax liabilities | ​ |  | 569 | ​ |  | 639 |
| Unrealized loss on derivative contracts | ​ |  | 639 | ​ |  | 1,224 |
| Securities sold, not yet purchased, at fair value | ​ |  | 2,521 | ​ |  | 1,190 |
| Due to brokers | ​ |  | 1,618 | ​ |  | 54 |
| Debt | ​ |  | 8,059 | ​ |  | 8,192 |
| Total liabilities | ​ |  | 15,730 | ​ |  | 13,697 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Commitments and contingencies (Note 18) | ​ |  |  | ​ |  |  |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Equity: | ​ |  |  | ​ |  |  |
| Limited partners: Depositary units: 241,338,835 units issued and outstanding at December 31, 2020 and 214,078,558 units issued and outstanding at December 31, 2019 | ​ |  | 4,235 | ​ |  | 6,268 |
| General partner | ​ |  | (853) | ​ |  | (812) |
| Equity attributable to Icahn Enterprises | ​ |  | 3,382 | ​ |  | 5,456 |
| Equity attributable to non-controlling interests | ​ |  | 5,875 | ​ |  | 5,486 |
| Total equity | ​ |  | 9,257 | ​ |  | 10,942 |
| **Total Liabilities and Equity** | ​ | $ | 24,987 | ​ | $ | 24,639 |

​

*See notes to consolidated financial statements.*

​

59

[Table of Contents](#TOC)

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (In millions, except per unit amounts) | | | | | | | |
| Revenues: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net sales | ​ | $ | 6,815 | ​ | $ | 9,722 | ​ | $ | 10,576 |
| Other revenues from operations | ​ |  | 608 | ​ |  | 666 | ​ |  | 647 |
| Net (loss) gain from investment activities | ​ |  | (1,421) | ​ |  | (1,931) | ​ |  | 322 |
| Interest and dividend income | ​ |  | 169 | ​ |  | 265 | ​ |  | 148 |
| (Loss) gain on disposition of assets, net | ​ |  | (17) | ​ |  | 253 | ​ |  | 84 |
| Other (loss) income, net | ​ |  | (31) | ​ |  | 19 | ​ |  | — |
| ​ | ​ |  | 6,123 | ​ |  | 8,994 | ​ |  | 11,777 |
| Expenses: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Cost of goods sold | ​ |  | 6,320 | ​ |  | 8,205 | ​ |  | 8,993 |
| Other expenses from operations | ​ |  | 487 | ​ |  | 528 | ​ |  | 538 |
| Selling, general and administrative | ​ |  | 1,191 | ​ |  | 1,375 | ​ |  | 1,386 |
| Restructuring, net | ​ |  | 10 | ​ |  | 18 | ​ |  | 21 |
| Impairment | ​ |  | 11 | ​ |  | 2 | ​ |  | 92 |
| Interest expense | ​ |  | 688 | ​ |  | 605 | ​ |  | 524 |
| ​ | ​ |  | 8,707 | ​ |  | 10,733 | ​ |  | 11,554 |
| (Loss) income before income tax benefit (expense) | ​ |  | (2,584) | ​ |  | (1,739) | ​ | ​ | 223 |
| Income tax benefit (expense) | ​ |  | 116 | ​ |  | (20) | ​ |  | 14 |
| (Loss) income from continuing operations | ​ |  | (2,468) | ​ |  | (1,759) | ​ |  | 237 |
| (Loss) income from discontinued operations | ​ |  | — | ​ |  | (32) | ​ |  | 1,764 |
| Net (loss) income | ​ |  | (2,468) | ​ |  | (1,791) | ​ |  | 2,001 |
| Less: net (loss) income attributable to non-controlling interests | ​ |  | (815) | ​ |  | (693) | ​ |  | 519 |
| Net (loss) income attributable to Icahn Enterprises | ​ | $ | (1,653) | ​ | $ | (1,098) | ​ | $ | 1,482 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net (loss) income attributable to Icahn Enterprises from: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Continuing operations | ​ | $ | (1,653) | ​ | $ | (1,066) | ​ | $ | (238) |
| Discontinued operations | ​ |  | — | ​ |  | (32) | ​ |  | 1,720 |
| ​ | ​ | $ | (1,653) | ​ | $ | (1,098) | ​ | $ | 1,482 |
| Net (loss) income attributable to Icahn Enterprises allocated to: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Limited partners | ​ | $ | (1,620) | ​ | $ | (1,076) | ​ | $ | 2,039 |
| General partner | ​ |  | (33) | ​ |  | (22) | ​ |  | (557) |
| ​ | ​ | $ | (1,653) | ​ | $ | (1,098) | ​ | $ | 1,482 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Basic and diluted (loss) income per LP unit: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Continuing operations | ​ | $ | (7.33) | ​ | $ | (5.23) | ​ | $ | (1.29) |
| Discontinued operations | ​ |  | — | ​ |  | (0.15) | ​ |  | 12.62 |
| Basic and diluted (loss) income per LP unit | ​ | $ | (7.33) | ​ | $ | (5.38) | ​ | $ | 11.33 |
| Basic and diluted weighted average LP units outstanding | ​ |  | 221 | ​ |  | 200 | ​ |  | 180 |
| Cash distributions declared per LP unit | ​ | $ | 8.00 | ​ | $ | 8.00 | ​ | $ | 7.00 |

​

*See notes to consolidated financial statements.*

​

60

[Table of Contents](#TOC)

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Net (loss) income | ​ | $ | (2,468) | ​ | $ | (1,791) | ​ | $ | 2,001 |
| Other comprehensive income (loss), net of tax: | ​ |  | ​ | ​ |  | ​ | ​ |  |  |
| Translation adjustments | ​ |  | 4 | ​ |  | (2) | ​ |  | (86) |
| Post-retirement benefits and other | ​ |  | (5) | ​ |  | 3 | ​ |  | 18 |
| Other comprehensive (loss) income, net of tax | ​ |  | (1) | ​ |  | 1 | ​ |  | (68) |
| Comprehensive (loss) income | ​ |  | (2,469) | ​ |  | (1,790) | ​ |  | 1,933 |
| Less: Comprehensive (loss) income attributable to non-controlling interests | ​ |  | (815) | ​ |  | (693) | ​ |  | 512 |
| Comprehensive (loss) income attributable to Icahn Enterprises | ​ | $ | (1,654) | ​ | $ | (1,097) | ​ | $ | 1,421 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Comprehensive (loss) income attributable to Icahn Enterprises allocated to: | ​ |  |  | ​ |  | ​ | ​ |  |  |
| Limited partners | ​ | $ | (1,621) | ​ | $ | (1,075) | ​ | $ | 1,979 |
| General partner | ​ |  | (33) | ​ |  | (22) | ​ |  | (558) |
| ​ | ​ | $ | (1,654) | ​ | $ | (1,097) | ​ | $ | 1,421 |

​

*See notes to consolidated financial statements.*

​

61

[Table of Contents](#TOC)

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Equity Attributable to Icahn Enterprises** | | | | | | | | ​ | ​ | ​ | ​ |  | ​ |
| ​ | **​** | **General** | | **​** | **Limited** | | **​** | **​** | **​** | **​** | **Non-** | | **​** | ​ | ​ |
| ​ | **​** | **Partner’s** | | **​** | **Partners’** | | **​** | **Total Partners’** | | **​** | **controlling** | | **​** | **​** | |
| ​ |  | **(Deficit) Equity** | |  | **Equity** | |  | **Equity** | |  | **Interests** | |  | **Total Equity** | |
|  | | | | | | | | | | | | | | | |
| ​ | ​ | (In millions) | | | | | | | | | | | | | |
| **Balance, December 31, 2017** | ​ | $ | (234) | **​** | $ | 5,402 | **​** | $ | 5,168 | **​** | $ | 6,318 | **​** | $ | 11,486 |
| Net (loss) income | ​ | ​ | (557) |  | ​ | 2,039 |  | ​ | 1,482 |  | ​ | 519 |  | ​ | 2,001 |
| Other comprehensive loss |  | ​ | (1) |  | ​ | (60) |  | ​ | (61) |  | ​ | (7) |  | ​ | (68) |
| Partnership distributions |  | ​ | (2) |  | ​ | (95) |  | ​ | (97) |  | ​ | — |  | ​ | (97) |
| Investment segment contributions |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 310 |  | ​ | 310 |
| Dividends and distributions to non-controlling interests in subsidiaries |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (153) |  | ​ | (153) |
| Cumulative effect adjustment from adoption of accounting principle |  | ​ | (1) |  | ​ | (28) |  | ​ | (29) |  | ​ | — |  | ​ | (29) |
| Changes in subsidiary equity and other |  | ​ | 5 |  | ​ | 92 |  | ​ | 97 |  | ​ | (567) |  | ​ | (470) |
| **Balance, December 31, 2018** |  | ​ | (790) |  | ​ | 7,350 |  | ​ | 6,560 |  | ​ | 6,420 |  | ​ | 12,980 |
| Net loss |  | ​ | (22) |  | ​ | (1,076) |  | ​ | (1,098) |  | ​ | (693) |  | ​ | (1,791) |
| Other comprehensive income |  | ​ | — |  | ​ | 1 |  | ​ | 1 |  | ​ | — |  | ​ | 1 |
| Partnership distributions |  | ​ | (2) |  | ​ | (110) |  | ​ | (112) |  | ​ | — |  | ​ | (112) |
| Partnership contributions | ​ | ​ | 1 |  | ​ | 54 |  | ​ | 55 |  | ​ | — |  | ​ | 55 |
| Investment segment contributions |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 220 |  | ​ | 220 |
| Dividends and distributions to non-controlling interests in subsidiaries |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (119) |  | ​ | (119) |
| Changes in subsidiary equity and other |  | ​ | 1 |  | ​ | 49 |  | ​ | 50 |  | ​ | (342) |  | ​ | (292) |
| **Balance, December 31, 2019** |  | ​ | (812) |  | ​ | 6,268 |  | ​ | 5,456 |  | ​ | 5,486 |  | ​ | 10,942 |
| Net loss |  | ​ | (33) |  | ​ | (1,620) |  | ​ | (1,653) |  | ​ | (815) |  | ​ | (2,468) |
| Other comprehensive loss |  | ​ | — |  | ​ | (1) |  | ​ | (1) |  | ​ | — |  | ​ | (1) |
| Partnership distributions |  | ​ | (10) |  | ​ | (516) |  | ​ | (526) |  | ​ | — |  | ​ | (526) |
| Partnership contributions |  | ​ | 2 |  | ​ | 100 |  | ​ | 102 |  | ​ | — |  | ​ | 102 |
| Investment segment contributions |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 1,253 |  | ​ | 1,253 |
| Dividends and distributions to non-controlling interests in subsidiaries |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (36) |  | ​ | (36) |
| Changes in subsidiary equity and other |  | ​ | — |  | ​ | 4 |  | ​ | 4 |  | ​ | (13) |  | ​ | (9) |
| **Balance, December 31, 2020** | **​** | **$** | **(853)** | **​** | **$** | **4,235** | **​** | **$** | **3,382** | **​** | **$** | **5,875** | **​** | **$** | **9,257** |

​

*See notes to consolidated financial statements.*

**​**

62

[Table of Contents](#TOC)

**ICAHN ENTERPRISES L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| **Cash flows from operating activities:** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net (loss) income | ​ | $ | (2,468) |  | $ | (1,791) |  | $ | 2,001 |
| Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities: | ​ |  | ​ | ​ |  |  | ​ |  |  |
| Loss (income) from discontinued operations | ​ |  | — | ​ |  | 32 | ​ |  | (1,764) |
| Net loss (gain) from securities transactions | ​ |  | 926 | ​ |  | (570) | ​ |  | 476 |
| Purchases of securities | ​ |  | (1,945) | ​ |  | (4,948) | ​ |  | (4,810) |
| Proceeds from sales of securities | ​ |  | 4,040 | ​ |  | 3,648 | ​ |  | 6,763 |
| Payments to cover securities sold, not yet purchased | ​ |  | (2,336) | ​ |  | (938) | ​ |  | (1,083) |
| Proceeds from securities sold, not yet purchased | ​ |  | 2,913 | ​ |  | 1,523 | ​ |  | 1,077 |
| Changes in receivables and payables relating to securities transactions | ​ |  | (1,880) | ​ |  | (220) | ​ |  | (1,195) |
| Changes in unrealized gains/losses on derivative contracts | ​ |  | (433) | ​ |  | 1,181 | ​ | ​ | (1,763) |
| Loss (gain) on disposition of assets, net | ​ |  | 17 | ​ |  | (253) | ​ |  | (84) |
| Depreciation and amortization | ​ |  | 510 | ​ |  | 519 | ​ |  | 508 |
| Impairment | ​ |  | 11 | ​ |  | 2 | ​ |  | 92 |
| Deferred taxes | ​ |  | (49) | ​ |  | (89) | ​ |  | (29) |
| Other, net | ​ |  | 60 | ​ |  | 16 | ​ |  | 123 |
| Changes in other operating assets and liabilities: | ​ |  | ​ | ​ |  | ​ | ​ |  |  |
| Accounts receivable, net | ​ |  | 28 | ​ |  | (33) | ​ |  | 45 |
| Inventories, net | ​ |  | 147 | ​ |  | (20) | ​ |  | (86) |
| Other assets | ​ |  | 30 | ​ |  | 356 | ​ |  | 316 |
| Accounts payable | ​ |  | (162) | ​ |  | 145 | ​ |  | (59) |
| Accrued expenses and other liabilities | ​ |  | 175 | ​ |  | (20) | ​ |  | (84) |
| Net cash (used in) provided by operating activities from continuing operations | ​ |  | (416) | ​ |  | (1,460) | ​ |  | 444 |
| Net cash provided by operating activities from discontinued operations | ​ |  | — | ​ |  | — | ​ |  | 479 |
| **Net cash (used in) provided by operating activities** | ​ |  | (416) | ​ |  | (1,460) | ​ |  | 923 |
| **Cash flows from investing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Capital expenditures | ​ |  | (199) | ​ |  | (250) | ​ |  | (272) |
| Turnaround expenditures | ​ | ​ | (159) | ​ | ​ | (38) | ​ | ​ | (8) |
| Acquisition of businesses, net of cash acquired | ​ |  | (8) | ​ |  | (39) | ​ |  | (15) |
| Purchases of investments | ​ |  | (337) | ​ |  | (50) | ​ |  | (60) |
| Proceeds from sale of investments | ​ |  | 98 | ​ |  | 458 | ​ |  | 1 |
| Proceeds from disposition of businesses and assets | ​ |  | 25 | ​ |  | 505 | ​ |  | 3,370 |
| Other, net | ​ |  | (1) | ​ |  | — | ​ |  | 8 |
| Net cash (used in) provided by investing activities from continuing operations | ​ |  | (581) | ​ |  | 586 | ​ |  | 3,024 |
| Net cash used in investing activities from discontinued operations | ​ |  | — | ​ |  | — | ​ |  | (437) |
| **Net cash (used in) provided by investing activities** | ​ |  | (581) | ​ |  | 586 | ​ |  | 2,587 |
| **Cash flows from financing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Investment segment contributions from non-controlling interests | ​ |  | 13 | ​ |  | 220 | ​ |  | 310 |
| Partnership contributions | ​ |  | 102 | ​ |  | 55 | ​ |  | — |
| Partnership distributions | ​ |  | (526) | ​ |  | (112) | ​ |  | (97) |
| Purchase of additional interests in consolidated subsidiaries | ​ |  | — | ​ |  | (241) | ​ |  | (5) |
| Dividends and distributions to non-controlling interests in subsidiaries | ​ |  | (36) | ​ |  | (119) | ​ |  | (139) |
| Proceeds from Holding Company senior unsecured notes | ​ |  | 866 | ​ |  | 2,507 | ​ |  | — |
| Repayments of Holding Company senior unsecured notes | ​ |  | (1,350) | ​ |  | (1,700) | ​ |  | — |
| Proceeds from subsidiary borrowings | ​ |  | 1,946 | ​ |  | 810 | ​ |  | 1,268 |
| Repayments of subsidiary borrowings | ​ |  | (1,644) | ​ |  | (847) | ​ |  | (1,346) |
| Other, net | ​ |  | (24) | ​ |  | (7) | ​ |  | 15 |
| Net cash (used in) provided by financing activities from continuing operations | ​ |  | (653) | ​ |  | 566 | ​ |  | 6 |
| Net cash used in financing activities from discontinued operations | ​ |  | — | ​ |  | — | ​ |  | (163) |
| **Net cash (used in) provided by financing activities** | ​ |  | (653) | ​ |  | 566 | ​ |  | (157) |
| Effect of exchange rate changes on cash and cash equivalents and restricted cash and restricted cash equivalents | ​ |  | (4) | ​ |  | (2) | ​ |  | (7) |
| Add back change in cash and restricted cash of assets held for sale | ​ |  | — | ​ |  | (83) | ​ |  | 81 |
| **Net (decrease) increase in cash and cash equivalents and restricted cash and restricted cash equivalents** | ​ |  | (1,654) | ​ |  | (393) | ​ |  | 3,427 |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, beginning of period | ​ |  | 4,945 | ​ |  | 5,338 | ​ |  | 1,911 |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, end of period | ​ | $ | 3,291 | ​ | $ | 4,945 | ​ | $ | 5,338 |

​

*See notes to consolidated financial statements.*

*​*

63

[Table of Contents](#TOC)

**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| **ASSETS** | ​ | ​ | ​ | ​ | ​ | ​ |
| Cash and cash equivalents | ​ | $ | 1,699 | ​ | $ | 3,794 |
| Cash held at consolidated affiliated partnerships and restricted cash | ​ |  | 1,592 | ​ |  | 1,151 |
| Investments | ​ |  | 8,913 | ​ |  | 9,945 |
| Due from brokers | ​ |  | 3,437 | ​ |  | 858 |
| Accounts receivable, net | ​ |  | 502 | ​ |  | 483 |
| Inventories, net | ​ |  | 1,580 | ​ |  | 1,795 |
| Property, plant and equipment, net | ​ |  | 4,228 | ​ |  | 4,454 |
| Unrealized gain on derivative contracts | ​ | ​ | 785 | ​ | ​ | 182 |
| Goodwill | ​ |  | 298 | ​ |  | 282 |
| Intangible assets, net | ​ |  | 660 | ​ |  | 431 |
| Other assets | ​ |  | 1,293 | ​ |  | 1,264 |
| **Total Assets** | ​ | $ | 24,987 | ​ | $ | 24,639 |
| **LIABILITIES AND EQUITY** | ​ | ​ |  | ​ | ​ | ​ |
| Accounts payable | ​ | $ | 738 | ​ | $ | 945 |
| Accrued expenses and other liabilities | ​ |  | 1,586 | ​ |  | 1,453 |
| Deferred tax liabilities | ​ |  | 569 | ​ |  | 639 |
| Unrealized loss on derivative contracts | ​ |  | 639 | ​ |  | 1,224 |
| Securities sold, not yet purchased, at fair value | ​ |  | 2,521 | ​ |  | 1,190 |
| Due to brokers | ​ |  | 1,618 | ​ |  | 54 |
| Debt | ​ |  | 8,061 | ​ |  | 8,195 |
| Total liabilities | ​ |  | 15,732 | ​ |  | 13,700 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Commitments and contingencies (Note 18) | ​ | ​ |  | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Equity: | ​ | ​ |  | ​ | ​ | ​ |
| Limited partner | ​ |  | 4,276 | ​ |  | 6,328 |
| General partner | ​ |  | (896) | ​ |  | (875) |
| Equity attributable to Icahn Enterprises Holdings | ​ |  | 3,380 | ​ |  | 5,453 |
| Equity attributable to non-controlling interests | ​ |  | 5,875 | ​ |  | 5,486 |
| Total equity | ​ |  | 9,255 | ​ |  | 10,939 |
| **Total Liabilities and Equity** | ​ | $ | 24,987 | ​ | $ | 24,639 |

​

*See notes to consolidated financial statements.*

​

64

[Table of Contents](#TOC)

**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Revenues: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net sales | ​ | $ | 6,815 | ​ | $ | 9,722 | ​ | $ | 10,576 |
| Other revenues from operations | ​ |  | 608 | ​ |  | 666 | ​ |  | 647 |
| Net (loss) gain from investment activities | ​ |  | (1,421) | ​ |  | (1,931) | ​ |  | 322 |
| Interest and dividend income | ​ |  | 169 | ​ |  | 265 | ​ |  | 148 |
| (Loss) gain on disposition of assets, net | ​ |  | (17) | ​ |  | 253 | ​ |  | 84 |
| Other (loss) income, net | ​ |  | (31) | ​ |  | 19 | ​ |  | — |
| ​ | ​ |  | 6,123 | ​ |  | 8,994 | ​ |  | 11,777 |
| Expenses: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Cost of goods sold | ​ |  | 6,320 | ​ |  | 8,205 | ​ |  | 8,993 |
| Other expenses from operations | ​ |  | 487 | ​ |  | 528 | ​ |  | 538 |
| Selling, general and administrative | ​ |  | 1,191 | ​ |  | 1,375 | ​ |  | 1,386 |
| Restructuring, net | ​ |  | 10 | ​ |  | 18 | ​ |  | 21 |
| Impairment | ​ |  | 11 | ​ |  | 2 | ​ |  | 92 |
| Interest expense | ​ |  | 687 | ​ |  | 604 | ​ |  | 523 |
| ​ | ​ |  | 8,706 | ​ |  | 10,732 | ​ |  | 11,553 |
| (Loss) income before income tax benefit (expense) | ​ |  | (2,583) | ​ |  | (1,738) | ​ |  | 224 |
| Income tax benefit (expense) | ​ |  | 116 | ​ |  | (20) | ​ |  | 14 |
| (Loss) income from continuing operations | ​ |  | (2,467) | ​ |  | (1,758) | ​ |  | 238 |
| (Loss) income from discontinued operations | ​ |  | — | ​ |  | (32) | ​ |  | 1,764 |
| Net (loss) income | ​ |  | (2,467) | ​ |  | (1,790) | ​ |  | 2,002 |
| Less: net (loss) income attributable to non-controlling interests | ​ |  | (815) | ​ |  | (693) | ​ |  | 519 |
| Net (loss) income attributable to Icahn Enterprises Holdings | ​ | $ | (1,652) | ​ | $ | (1,097) | ​ | $ | 1,483 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net (loss) income attributable to Icahn Enterprises Holdings from: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Continuing operations | ​ | $ | (1,652) | ​ | $ | (1,065) | ​ | $ | (237) |
| Discontinued operations | ​ |  | — | ​ |  | (32) | ​ |  | 1,720 |
| ​ | ​ | $ | (1,652) | ​ | $ | (1,097) | ​ | $ | 1,483 |
| Net (loss) income attributable to Icahn Enterprises Holdings allocated to: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Limited partner | ​ | $ | (1,635) | ​ | $ | (1,086) | ​ | $ | 2,060 |
| General partner | ​ |  | (17) | ​ |  | (11) | ​ |  | (577) |
| ​ | ​ | $ | (1,652) | ​ | $ | (1,097) | ​ | $ | 1,483 |

​

*See notes to consolidated financial statements.*

​

65

[Table of Contents](#TOC)

**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Net (loss) income | ​ | $ | (2,467) | ​ | $ | (1,790) | ​ | $ | 2,002 |
| Other comprehensive income (loss), net of tax: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Translation adjustments | ​ |  | 4 | ​ |  | (2) | ​ |  | (86) |
| Post-retirement benefits and other | ​ |  | (5) | ​ |  | 3 | ​ |  | 18 |
| Other comprehensive (loss) income, net of tax | ​ |  | (1) | ​ |  | 1 | ​ |  | (68) |
| Comprehensive (loss) income | ​ |  | (2,468) | ​ |  | (1,789) | ​ |  | 1,934 |
| Less: Comprehensive (loss) income attributable to non-controlling interests | ​ |  | (815) | ​ |  | (693) | ​ |  | 512 |
| Comprehensive (loss) income attributable to Icahn Enterprises Holdings | ​ | $ | (1,653) | ​ | $ | (1,096) | ​ | $ | 1,422 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Comprehensive (loss) income attributable to Icahn Enterprises Holdings allocated to: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Limited partner | ​ | $ | (1,636) | ​ | $ | (1,085) | ​ | $ | 2,000 |
| General partner | ​ |  | (17) | ​ |  | (11) | ​ |  | (578) |
| ​ | ​ | $ | (1,653) | ​ | $ | (1,096) | ​ | $ | 1,422 |

​

*See notes to consolidated financial statements.*

​

66

[Table of Contents](#TOC)

**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **​** | **​** | **Equity Attributable to Icahn Enterprises Holdings** | | | | | | | | **​** | **​** | **​** | **​** |  | **​** |
| **​** |  | **General** | |  | **Limited** | |  | ​ | ​ |  | **Non-** | |  | ​ | ​ |
| **​** | **​** | **Partner’s** | | **​** | **Partner’s** | | **​** | **Total Partners’** | | **​** | **controlling** | | **​** | **​** | |
| **​** | **​** | **Equity (Deficit)** | | **​** | **Equity** | | **​** | **Equity** | | **​** | **Interests** | | **​** | **Total Equity** | |
|  | | | | | | | | | | | | | | | |
| **​** | ​ | (In millions) | | | | | | | | | | | | | |
| **Balance, December 31, 2017** | ​ | $ | (286) | **​** | $ | 5,481 | **​** | $ | 5,195 | **​** | $ | 6,318 | **​** | $ | 11,513 |
| Net (loss) income | ​ | ​ | (577) |  | ​ | 2,060 |  | ​ | 1,483 |  | ​ | 519 |  | ​ | 2,002 |
| Other comprehensive loss |  | ​ | (1) |  | ​ | (60) |  | ​ | (61) |  | ​ | (7) |  | ​ | (68) |
| Partnership distributions |  | ​ | (1) |  | ​ | (96) |  | ​ | (97) |  | ​ | — |  | ​ | (97) |
| Investment segment contributions |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 310 |  | ​ | 310 |
| Dividends and distributions to non-controlling interests in subsidiaries |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (153) |  | ​ | (153) |
| Cumulative effect adjustment from adoption of accounting principle |  | ​ | — |  | ​ | (29) |  | ​ | (29) |  | ​ | — |  | ​ | (29) |
| Changes in subsidiary equity and other |  | ​ | 1 |  | ​ | 96 |  | ​ | 97 |  | ​ | (567) |  | ​ | (470) |
| **Balance, December 31, 2018** |  | ​ | (864) |  | ​ | 7,452 |  | ​ | 6,588 |  | ​ | 6,420 |  | ​ | 13,008 |
| Net loss |  | ​ | (11) |  | ​ | (1,086) |  | ​ | (1,097) |  | ​ | (693) |  | ​ | (1,790) |
| Other comprehensive income |  | ​ | — |  | ​ | 1 |  | ​ | 1 |  | ​ | — |  | ​ | 1 |
| Partnership distributions |  | ​ | (2) |  | ​ | (142) |  | ​ | (144) |  | ​ | — |  | ​ | (144) |
| Partnership contributions | ​ | ​ | 1 |  | ​ | 54 |  | ​ | 55 |  | ​ | — |  | ​ | 55 |
| Investment segment contributions |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 220 |  | ​ | 220 |
| Dividends and distributions to non-controlling interests in subsidiaries |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (119) |  | ​ | (119) |
| Changes in subsidiary equity and other |  | ​ | 1 |  | ​ | 49 |  | ​ | 50 |  | ​ | (342) |  | ​ | (292) |
| **Balance, December 31, 2019** |  | ​ | (875) |  | ​ | 6,328 |  | ​ | 5,453 |  | ​ | 5,486 |  | ​ | 10,939 |
| Net loss |  | ​ | (17) |  | ​ | (1,635) |  | ​ | (1,652) |  | ​ | (815) |  | ​ | (2,467) |
| Other comprehensive loss |  | ​ | — |  | ​ | (1) |  | ​ | (1) |  | ​ | — |  | ​ | (1) |
| Partnership distributions |  | ​ | (5) |  | ​ | (521) |  | ​ | (526) |  | ​ | — |  | ​ | (526) |
| Partnership contributions |  | ​ | 1 |  | ​ | 101 |  | ​ | 102 |  | ​ | — |  | ​ | 102 |
| Investment segment contributions |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 1,253 |  | ​ | 1,253 |
| Dividends and distributions to non-controlling interests in subsidiaries |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (36) |  | ​ | (36) |
| Changes in subsidiary equity and other |  | ​ | — |  | ​ | 4 |  | ​ | 4 |  | ​ | (13) |  | ​ | (9) |
| **Balance, December 31, 2020** | **​** | **$** | **(896)** | **​** | **$** | **4,276** | **​** | **$** | **3,380** | **​** | **$** | **5,875** | **​** | **$** | **9,255** |

​

*See notes to consolidated financial statements.*

​

67

[Table of Contents](#TOC)

**ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | **​** | (in millions) | | | | | | | |
| **Cash flows from operating activities:** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | | |
| Net (loss) income | ​ | $ | (2,467) | ​ | $ | (1,790) | ​ | $ | 2,002 |
| Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities: | ​ |  |  | ​ |  |  | ​ |  |  |
| Loss (income) from discontinued operations | ​ |  | — | ​ |  | 32 | ​ |  | (1,764) |
| Net loss (gain) from securities transactions | ​ |  | 926 | ​ |  | (570) | ​ |  | 476 |
| Purchases of securities | ​ |  | (1,945) | ​ |  | (4,948) | ​ |  | (4,810) |
| Proceeds from sales of securities | ​ |  | 4,040 | ​ |  | 3,648 | ​ |  | 6,763 |
| Payments to cover securities sold, not yet purchased | ​ |  | (2,336) | ​ |  | (938) | ​ |  | (1,083) |
| Proceeds from securities sold, not yet purchased | ​ |  | 2,913 | ​ |  | 1,523 | ​ |  | 1,077 |
| Changes in receivables and payables relating to securities transactions | ​ |  | (1,880) | ​ |  | (220) | ​ |  | (1,195) |
| Changes in unrealized gains/losses on derivative contracts | ​ | ​ | (433) | ​ |  | 1,181 | ​ | ​ | (1,763) |
| Loss (gain) on disposition of assets, net | ​ |  | 17 | ​ |  | (253) | ​ |  | (84) |
| Depreciation and amortization | ​ |  | 510 | ​ |  | 519 | ​ |  | 508 |
| Impairment | ​ |  | 11 | ​ |  | 2 | ​ |  | 92 |
| Deferred taxes | ​ |  | (49) | ​ |  | (89) | ​ |  | (29) |
| Other, net | ​ |  | 59 | ​ |  | 15 | ​ |  | 122 |
| Changes in other operating assets and liabilities: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Accounts receivable, net | ​ |  | 28 | ​ |  | (33) | ​ |  | 45 |
| Inventories, net | ​ |  | 147 | ​ |  | (20) | ​ |  | (86) |
| Other assets | ​ |  | 30 | ​ |  | 356 | ​ |  | 316 |
| Accounts payable | ​ |  | (162) | ​ |  | 145 | ​ |  | (59) |
| Accrued expenses and other liabilities | ​ |  | 175 | ​ |  | (20) | ​ |  | (84) |
| Net cash (used in) provided by operating activities from continuing operations | ​ |  | (416) | ​ |  | (1,460) | ​ |  | 444 |
| Net cash provided by operating activities from discontinued operations | ​ |  | — | ​ |  | — | ​ |  | 479 |
| **Net cash (used in) provided by operating activities** | ​ |  | (416) | ​ |  | (1,460) | ​ |  | 923 |
| **Cash flows from investing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Capital expenditures | ​ |  | (199) | ​ |  | (250) | ​ |  | (272) |
| Turnaround expenditures | ​ | ​ | (159) | ​ | ​ | (38) | ​ | ​ | (8) |
| Acquisition of businesses, net of cash acquired | ​ |  | (8) | ​ |  | (39) | ​ |  | (15) |
| Purchases of investments | ​ |  | (337) | ​ |  | (50) | ​ |  | (60) |
| Proceeds from sale of investments | ​ |  | 98 | ​ |  | 458 | ​ |  | 1 |
| Proceeds from disposition of businesses and assets | ​ |  | 25 | ​ |  | 505 | ​ |  | 3,370 |
| Other, net | ​ |  | (1) | ​ |  | — | ​ |  | 8 |
| Net cash (used in) provided by investing activities from continuing operations | ​ |  | (581) | ​ |  | 586 | ​ |  | 3,024 |
| Net cash used in investing activities from discontinued operations | ​ |  | — | ​ |  | — | ​ |  | (437) |
| **Net cash (used in) provided by investing activities** | ​ |  | (581) | ​ |  | 586 | ​ |  | 2,587 |
| **Cash flows from financing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Investment segment contributions from non-controlling interests | ​ |  | 13 | ​ |  | 220 | ​ |  | 310 |
| Partnership contributions | ​ |  | 102 | ​ |  | 55 | ​ |  | — |
| Partnership distributions | ​ |  | (526) | ​ |  | (112) | ​ |  | (97) |
| Purchase of additional interests in consolidated subsidiaries | ​ |  | — | ​ |  | (241) | ​ |  | (5) |
| Dividends and distributions to non-controlling interests in subsidiaries | ​ |  | (36) | ​ |  | (119) | ​ |  | (139) |
| Proceeds from Holding Company senior unsecured notes | ​ |  | 866 | ​ |  | 2,507 | ​ |  | — |
| Repayments of Holding Company senior unsecured notes | ​ |  | (1,350) | ​ |  | (1,700) | ​ |  | — |
| Proceeds from subsidiary borrowings | ​ |  | 1,946 | ​ |  | 810 | ​ |  | 1,268 |
| Repayments of subsidiary borrowings | ​ |  | (1,644) | ​ |  | (847) | ​ |  | (1,346) |
| Other, net | ​ |  | (24) | ​ |  | (7) | ​ |  | 15 |
| Net cash (used in) provided by financing activities from continuing operations | ​ |  | (653) | ​ |  | 566 | ​ |  | 6 |
| Net cash used in financing activities from discontinued operations | ​ |  | — | ​ |  | — | ​ |  | (163) |
| **Net cash (used in) provided by financing activities** | ​ |  | (653) | ​ |  | 566 | ​ |  | (157) |
| Effect of exchange rate changes on cash and cash equivalents and restricted cash and restricted cash equivalents | ​ |  | (4) | ​ |  | (2) | ​ |  | (7) |
| Add back change in cash and restricted cash of assets held for sale | ​ |  | — | ​ |  | (83) | ​ |  | 81 |
| **Net (decrease) increase in cash and cash equivalents and restricted cash and restricted cash equivalents** | ​ |  | (1,654) | ​ |  | (393) | ​ |  | 3,427 |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, beginning of period | ​ |  | 4,945 | ​ |  | 5,338 | ​ |  | 1,911 |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, end of period | ​ | $ | 3,291 | ​ | $ | 4,945 | ​ | $ | 5,338 |

​

*See notes to consolidated financial statements.*

*​*

**​**

68

[Table of Contents](#TOC)

​

**1. Description of Business**

***Overview***

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

Icahn Enterprises owns a 99% limited partner interest in Icahn Enterprises Holdings. Icahn Enterprises G.P. Inc. (“Icahn Enterprises GP”), which is owned and controlled by Mr. Carl C. Icahn, owns a 1% general partner interest in each of Icahn Enterprises and Icahn Enterprises Holdings as of December 31, 2020. Icahn Enterprises Holdings and its subsidiaries own substantially all of our assets and liabilities and conduct substantially all of our operations. Therefore, the financial results of Icahn Enterprises and Icahn Enterprises Holdings are substantially the same, with differences relating primarily to the allocation of the general partner interest, which is reflected as an aggregate 1.99% general partner interest in the financial statements of Icahn Enterprises. In addition to the above, Mr. Icahn and his affiliates owned approximately 92% of Icahn Enterprises’ outstanding depositary units as of December 31, 2020.

***Description of Operating Businesses***

We are a diversified holding company owning subsidiaries currently engaged in the following continuing operating businesses: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate, Home Fashion and, as of December 2020, Pharma. We also report the results of our Holding Company, which includes the results of certain subsidiaries of Icahn Enterprises and Icahn Enterprises Holdings (unless otherwise noted), and investment activity and expenses associated with our Holding Company. Our historical results also report the results of our Mining segment, until sold on August 1, 2019, and our Railcar segment through the date we sold our last remaining railcars on lease, which occurred in the third quarter of 2018. See Note 13, “Segment and Geographic Reporting,” for a reconciliation of each of our reporting segment’s results of operations to our consolidated results. Certain additional information with respect to our segments are discussed below.

*Investment*

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

*Energy*

We conduct our Energy segment through our majority owned subsidiary, CVR Energy, Inc. (“CVR Energy”). CVR Energy is a diversified holding company primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing businesses through its holdings in CVR Refining, LP (“CVR Refining”) and CVR Partners, LP (“CVR Partners”), respectively. CVR Refining is an independent petroleum refiner and marketer of high value transportation fuels. CVR Partners produces and markets nitrogen fertilizers in the form of urea ammonium nitrate and ammonia. CVR Energy has a general partner interest in each of CVR Refining and CVR Partners. In addition, CVR Energy is the sole limited partner of CVR Refining and owns 36% of the outstanding common units of CVR Partners as of December 31, 2020. As of December 31, 2020, we owned approximately 71% of the total outstanding common stock of CVR Energy.

On January 29, 2019, CVR Energy, pursuant to the exercise of its right to purchase all of the issued and outstanding common units in CVR Refining, purchased the remaining common units of CVR Refining not already owned by CVR

69

[Table of Contents](#TOC)

Energy, including the purchase of CVR Refining common units owned directly by us. Prior to this, CVR Energy owned approximately 81% of the common units of CVR Refining and we directly owned approximately 4% of the common units of CVR Refining. As a result of exercising its purchase right, as of January 29, 2019, CVR Energy owns all of the common units of CVR Refining and we no longer have any direct ownership in CVR Refining. In addition, the common units of CVR Refining have subsequently ceased to be publicly traded or listed on the New York Stock Exchange or any other national securities exchange. The remaining common units of CVR Refining acquired in this transaction were purchased for $241 million, excluding the amount paid by CVR Energy to us for the common units of CVR Refining directly owned by us.

Prior to this, on August 1, 2018, CVR Energy completed an exchange offer whereby CVR Refining’s public unitholders tendered a total of 21,625,106 common units of CVR Refining in exchange for 13,699,549 shares of CVR Energy common stock. In connection with this transaction, our equity attributable to Icahn Enterprises and Icahn Enterprises Holdings increased by $99 million.

*Automotive*

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

*Food Packaging*

We conduct our Food Packaging segment through our majority owned subsidiary, Viskase Companies, Inc. (“Viskase”). Viskase is a producer of cellulosic, fibrous and plastic casings used to prepare and package processed meat products.

In October 2020, Viskase completed an equity private placement whereby we acquired an additional 50,000,000 shares of Viskase common stock for $100 million. In connection with this transaction, our ownership of Viskase increased from approximately 79% to 89%.

Prior to this, during January 2018, Viskase received $50 million in connection with its common stock rights offering. In connection with this rights offering, we fully exercised our subscription rights under our basic and over subscription privileges to purchase additional shares of Viskase common stock, thereby increasing our ownership of Viskase from 75% to 79%, for an aggregate additional investment of $44 million.

*Metals*

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

*Real Estate*

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

70

[Table of Contents](#TOC)

During 2018, our Real Estate segment sold two commercial rental properties for aggregate proceeds of $179 million, resulting in aggregate pretax gain on disposition of assets of $89 million.

*Home Fashion*

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

*Pharma*

We conduct our Pharma segment through our wholly owned subsidiary, Vivus, Inc. (“Vivus”). We acquired all of the outstanding commons stock of Vivus in December 2020 upon its emergence from bankruptcy. Vivus is a specialty pharmaceutical company with two approved therapies and one product candidate in active clinical development.

Prior to Vivus’ emergence from bankruptcy, we held an investment in Vivus’ convertible corporate debt securities with a fair value of $183 million. In addition to the fair value of the convertible corporate debt securities, our total consideration transferred included an exit financing facility of $81 million and a contingent liability of $3 million. The $81 million exit financing facility replaced an existing $63 million term loan previously held by us.

*Mining*

We conducted our Mining segment through our majority owned subsidiary, Ferrous Resources Ltd. (“Ferrous Resources”). Ferrous Resources acquired certain rights to iron ore mineral resources in Brazil and develops mining operations and related infrastructure to produce and sell iron ore products to the global steel industry. Prior to the sale of Ferrous Resources, as discussed below, we owned approximately 77% of its total outstanding common stock.

On December 5, 2018, we announced a definitive agreement to sell Ferrous Resources for total consideration of $550 million (including repaid indebtedness). On August 1, 2019, we closed on the sale of Ferrous Resources. Our proportionate share of the cash proceeds from the sale, net of adjustments, was $463 million. As a result of the sale of Ferrous Resources, our Mining segment recorded a pretax gain on disposition of assets of $252 million in 2019. Subsequent to the sale, we no longer operate an active Mining segment.

*Railcar*

We conducted our Railcar segment through our wholly-owned subsidiary, American Railcar Leasing, LLC (“ARL”). ARL operated a leasing business consisting of purchased railcars leased to third parties under operating leases.

During 2017, we sold ARL and a majority of its railcar lease fleet. During 2018, we sold all remaining railcars of ARL not previously sold for additional cash consideration of $17 million. In connection with these transactions, we recorded a pretax gain on disposition of assets of $5 million in 2018. As a result of the sale of all remaining railcars during 2018, our business no longer includes an active Railcar segment.

***Description of Discontinued Operating Businesses***

We also report discontinued operations previously reported in our Automotive and Railcar segments and former Gaming segment. In addition to below, see Note 14, “Discontinued Operations,” for additional information with respect to our discontinued operating businesses.

*Automotive*

Our discontinued Automotive operations consists of our previously wholly-owned subsidiary, Federal-Mogul LLC (“Federal-Mogul”). On October 1, 2018, we closed on the previously announced sale of Federal-Mogul to Tenneco Inc. (“Tenneco”). In connection with the sale, we received $800 million in cash and approximately 29.5 million shares of

71

[Table of Contents](#TOC)

Tenneco common stock, of which approximately 23.8 million shares were non-voting shares convertible into voting shares if and when sold. The remaining approximately 5.7 million voting shares received by us represented approximately 9.9% of the aggregate voting interest in Tenneco. There were restrictions on how many shares of Tenneco common stock that could be sold by us within the first 150 days after the closing of the sale. The voting and non-voting shares of Tenneco common stock have the same economic value. As of October 1, 2018, the approximately 29.5 million voting and non-voting shares of Tenneco common stock had a fair market value of approximately $1.2 billion, which our Holding Company will hold and record as a Level 1 investment measured at fair value on a recurring basis. In addition, Federal-Mogul’s outstanding debt was assumed by Tenneco.

As a result of the sale of Federal-Mogul, we recorded a pretax gain on sale of discontinued operations attributable to Icahn Enterprises of $251 million in the fourth quarter of 2018.

*Gaming*

Our discontinued Gaming operations consists of our previous majority ownership in Tropicana Entertainment Inc. (“Tropicana”). On October 1, 2018, Tropicana closed on the previously announced real estate sales and merger transaction for aggregate cash consideration, net of adjustments, of approximately $1.8 billion. The transaction did not include Tropicana Aruba Resort and Casino, which was retained by us and is now reported within our Real Estate segment. Our proportionate share of the cash proceeds, net of adjustments, was approximately $1.5 billion.

As a result of the sale of Tropicana, we recorded a pretax gain on sale of discontinued operations attributable to Icahn Enterprises of $779 million in the fourth quarter of 2018.

*Railcar*

Our discontinued Railcar operations consists of our previous majority ownership in American Railcar Industries, Inc. (“ARI”). On December 5, 2018, we closed on the previously announced sale of ARI for aggregate cash consideration of $831 million.

As a result of the sale of ARI, we recorded a pretax gain on sale of discontinued operations attributable to Icahn Enterprises of $400 million in the fourth quarter of 2018.

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

The audited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”).

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

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

72

[Table of Contents](#TOC)

***Current Economic Conditions***

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

***Principles of Consolidation***

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

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

***Discontinued Operations and Held For Sale***

We classify assets and liabilities as held for sale when management, having the authority to approve the action, commits to a plan to sell the disposal group, the sale is probable within one year, and the disposal group is available for immediate sale in its present condition. We also consider whether an active program to locate a buyer has been initiated, whether the disposal group is marketed actively for sale at a price that is reasonable in relation to its current fair value, and whether actions required to complete the plan indicate it is unlikely significant changes to the plan will be made or the plan will be withdrawn.

In accordance with U.S. GAAP, we classify operations as discontinued when they meet all the criteria to be classified as held for sale and when the sale represents a strategic shift that will have a major impact on our financial condition and results of operations.

***Use of Estimates in Preparation of Financial Statements***

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Due to the inherent uncertainty involved in making estimates, actual results may differ from the estimates and assumptions used in preparing the consolidated financial statements.

***Reclassifications***

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

73

[Table of Contents](#TOC)

***Consolidated Variable Interest Entities***

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

*Icahn Enterprises Holdings*

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

*Investment*

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

*Energy*

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

*Food Packaging*

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

​

74

[Table of Contents](#TOC)

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

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Cash and cash equivalents | ​ | $ | 31 | ​ | $ | 42 |
| Cash held at consolidated affiliated partnerships and restricted cash | ​ |  | 1,558 | ​ |  | 989 |
| Investments | ​ |  | 8,239 | ​ |  | 9,207 |
| Due from brokers | ​ |  | 3,437 | ​ |  | 858 |
| Accounts receivable, net | ​ | ​ | 37 | ​ | ​ | 35 |
| Inventories, net | ​ |  | 42 | ​ |  | 48 |
| Property, plant and equipment, net | ​ |  | 1,042 | ​ |  | 1,110 |
| Unrealized gain on derivative contracts | ​ | ​ | 785 | ​ | ​ | 182 |
| Intangible assets, net | ​ |  | 232 | ​ |  | 251 |
| Other assets | ​ |  | 107 | ​ |  | 49 |
| Accounts payable | ​ |  | 25 | ​ |  | 25 |
| Accrued expenses and other liabilities | ​ | ​ | 70 | ​ | ​ | 97 |
| Deferred tax liabilities | ​ | ​ | 1 | ​ | ​ | 1 |
| Unrealized loss on derivative contracts | ​ | ​ | 622 | ​ | ​ | 1,215 |
| Securities sold, not yet purchased, at fair value | ​ |  | 2,521 | ​ |  | 1,190 |
| Due to brokers | ​ |  | 1,618 | ​ |  | 54 |
| Debt | ​ |  | 636 | ​ |  | 633 |

​

​

***Fair Value of Financial Instruments***

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

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

***Acquisitions of Businesses***

We account for business combinations under the acquisition method of accounting (other than acquisitions of businesses under common control), which requires us to recognize separately from goodwill the assets acquired and the liabilities assumed at their acquisition date fair values. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, our estimates are inherently uncertain and subject to refinement.

Accounting for business combinations requires us to make significant estimates and assumptions, especially at the acquisition date including our estimates for intangible assets, contractual obligations assumed, pre-acquisition contingencies, and contingent consideration, where applicable. In valuing our acquisitions, we estimate fair values based on industry data and trends and by reference to relevant market rates and transactions, and discounted cash flow valuation methods, among other factors. The discount rates used were commensurate with the inherent risks associated with each type of asset and the level and timing of cash flows appropriately reflect market participant assumptions. The primary items that generate goodwill include the value of the synergies between the acquired company and our existing

75

[Table of Contents](#TOC)

businesses and the value of the acquired assembled workforce, neither of which qualifies for recognition as an intangible asset.

***Acquisition, Investments and Disposition of Entities under Common Control***

Acquisitions or investments of entities under common control are reflected in a manner similar to pooling of interests. The general partner’s capital account or non-controlling interests, as applicable, are charged or credited for the difference between the consideration we pay for the entity and the related entity’s basis prior to our acquisition or investment. Net gains or losses of an acquired entity prior to its acquisition or investment date are allocated to the general partner’s capital account or non-controlling interests, as applicable. In allocating gains and losses upon the sale of a previously acquired common control entity, we allocate a gain or loss for financial reporting purposes by first restoring the general partner’s capital account or non-controlling interests, as applicable, for the cumulative charges or credits relating to prior periods recorded at the time of our acquisition or investment and then allocating the remaining gain or loss (“Common Control Gains or Losses”) among our general partner, limited partners and non-controlling interests, as applicable, in accordance with their respective ownership percentages. In the case of acquisitions of entities under common control, such Common Control Gains or Losses are allocated in accordance with their respective partnership percentages under the Amended and Restated Agreement of Limited Partnership dated as of May 12, 1987, as amended from time to time (together with the partnership agreement of Icahn Enterprises Holdings, the “Partnership Agreement”) (i.e., 98.01% to the limited partners and 1.99% to the general partner).

***Cash Flow***

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

***Cash and Cash Equivalents***

We consider short-term investments, which are highly liquid with original maturities of three months or less at date of purchase, to be cash equivalents.

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

Our cash held at consolidated affiliated partnerships balance was $686 million and $86 million as of December 31, 2020 and 2019, respectively. Cash held at consolidated affiliated partnerships relates to our Investment segment and consists of cash and cash equivalents held by the Investment Funds that, although not legally restricted, is not available to fund the general liquidity needs of the Investment segment or Icahn Enterprises.

Our restricted cash balance was $906 million and $1,065 million as of December 31, 2020 and 2019, respectively. Restricted cash includes, but is not limited to, our Investment segment’s cash pledged and held for margin requirements on derivative transactions.

***Investments and Related Transactions***

*Investment*

*Investment Transactions and Related Investment Income (Loss).* Investment transactions of the Investment Funds are recorded on a trade date basis. Realized gains or losses on sales of investments are based on the first-in, first-out or the specific identification method. Realized and unrealized gains or losses on investments are recorded in the consolidated statements of operations. Interest income and expenses are recorded on an accrual basis and dividends are recorded on the ex-dividend date. Premiums and discounts on fixed income securities are amortized using the effective yield method.

76

[Table of Contents](#TOC)

Investments held by our Investment segment are carried at fair value. Our Investment segment applies the fair value option to those investments that are otherwise subject to the equity method of accounting.

*Valuation of Investments.* Securities of the Investment Funds that are listed on a securities exchange are valued at their last sales price on the primary securities exchange on which such securities are traded on such date. Securities that are not listed on any exchange but are traded over-the-counter are valued at the mean between the last “bid” and “ask” price for such security on such date. Securities and other instruments for which market quotes are not readily available are valued at fair value as determined in good faith by the Investment Funds.

*Foreign Currency Transactions.* The books and records of the Investment Funds are maintained in U.S. dollars. Assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S. dollars at the rate of exchange in effect at the balance sheet date. Transactions during the period denominated in currencies other than U.S. dollars are translated at the rate of exchange applicable on the date of the transaction. Foreign currency translation gains and losses are recorded in the consolidated statements of operations. The Investment Funds do not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in the market prices of securities. Such fluctuations are reflected in net gain (loss) from investment activities in the consolidated statements of operations.

*Fair Values of Financial Instruments.* The fair values of the Investment Funds’ assets and liabilities that qualify as financial instruments under applicable U.S. GAAP approximate the carrying amounts presented in the consolidated balance sheets.

*Securities Sold, Not Yet Purchased.* The Investment Funds may sell an investment they do not own in anticipation of a decline in the fair value of that investment. When the Investment Funds sell an investment short, they must borrow the investment sold short and deliver it to the broker-dealer through which they made the short sale. A gain, limited to the price at which the Investment Funds sold the investment short, or a loss, unlimited in amount, will be recognized upon the cover of the short sale.

*Due From Brokers.* Due from brokers represents cash balances with the Investment Funds’ clearing brokers. These funds as well as fully-paid for and marginable securities are essentially restricted to the extent that they serve as collateral against securities sold, not yet purchased. Due from brokers may also include unrestricted balances with derivative counterparties.

*Due To Brokers.* Due to brokers represents margin debit balances collateralized by certain of the Investment Funds’ investments in securities.

*Other Segments and Holding Company*

Investments in equity and debt securities are carried at fair value with the unrealized gains or losses reflected in the consolidated statements of operations. For purposes of determining gains and losses, the cost of securities is based on specific identification. Dividend income is recorded when declared and interest income is recognized when earned.

***Fair Value Option for Financial Assets and Financial Liabilities***

The fair value option gives entities the option to measure eligible financial assets, financial liabilities and firm commitments at fair value (i.e., the fair value option), on an instrument-by-instrument basis, that are otherwise not permitted to be accounted for at fair value pursuant to the provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 825, *Financial Instrument*s. The election to use the fair value option is available when an entity first recognizes a financial asset or financial liability or upon entering into a firm commitment. Subsequent changes in fair value must be recorded in earnings. In estimating the fair value for financial instruments for which the fair value option has been elected, we use the valuation methodologies in accordance to where the financial instruments are classified within the fair value hierarchy as discussed in Note 5, “Fair Value Measurements.” For our Investment segment, we apply the fair value option to our investments that would otherwise be accounted under the equity method.

77

[Table of Contents](#TOC)

***Derivatives***

From time to time, our subsidiaries enter into derivative contracts, including purchased and written option contracts, swap contracts, futures contracts and forward contracts. U.S. GAAP requires recognition of all derivatives as either assets or liabilities in the balance sheet at their fair value. The accounting for changes in fair value depends on the intended use of the derivative and its resulting designation. For those derivative instruments that are designated and qualify as hedging instruments, a company must designate the hedging instrument, based upon the exposure being hedged, as a fair value hedge, cash flow hedge or a hedge of a net investment in a foreign operation. Gains and losses related to a hedge are either recognized in income immediately to offset the gain or loss on the hedged item or are deferred and reported as a component of accumulated other comprehensive loss and subsequently recognized in earnings when the hedged item affects earnings. The change in fair value of the ineffective portion of a financial instrument, determined using the hypothetical derivative method, is recognized in earnings immediately. The gain or loss related to financial instruments that are not designated as hedges are recognized immediately in earnings. Cash flows related to hedging activities are included in the operating section of the consolidated statements of cash flows. For further information regarding our derivative contracts, see Note 6, “Financial Instruments.”

***Accounts Receivable, Net***

Accounts receivable, net consists of trade receivables from customers, including contract assets when we have an unconditional right to receive consideration. An allowance for doubtful accounts is determined through analysis of the aging of accounts receivable at the date of the consolidated financial statements, assessments of collectability based on an evaluation of historic and anticipated trends, the financial condition of our customers, and an evaluation of the impact of economic conditions. Our allowance for doubtful accounts is an estimate based on specifically identified accounts as well as general reserves based on historical experience.

***Inventories, Net***

*Energy*

Our Energy segment inventories consist primarily of domestic and foreign crude oil, blending stock and components, work in progress, fertilizer products, and refined fuels and by-products. Inventories are valued at the lower of FIFO cost, or net realizable value for fertilizer products, refined fuels and by-products for all periods presented. Refinery unfinished and finished products inventory values were determined using the ability-to-bear process, whereby raw materials and production costs are allocated to work-in-process and finished goods based on their relative fair values. Other inventories, including other raw materials, spare parts and supplies, are valued at the lower of moving-average cost, which approximates FIFO, or net realizable value. The cost of inventories includes inbound freight costs.

*Automotive, Food Packaging, Home Fashion and Pharma*

Our Automotive, Food Packaging, Home Fashion and Pharma segments’ inventories are stated at the lower of cost or net realizable value. Cost is determined by using the first-in, first-out basis method (“FIFO”), except for our Automotive and Pharma segment, which also utilizes weighted-average cost. Our Automotive segment also determines cost using the last-in, first-out method for certain of its subsidiaries. Inventory recorded using the last-in, first-out method was $555 million and $869 million as of December 31, 2020 and 2019, respectively, all of which relates to finished goods. The cost of manufactured goods includes the cost of direct materials, labor and manufacturing overhead. Our Automotive, Food Packaging, Home Fashion and Pharma segments reserve for estimated excess, slow-moving and obsolete inventory as well as inventory whose carrying value is in excess of net realizable value.

*Metals*

Our Metals segment inventories are stated at the lower of cost or net realizable value. Cost is determined using the average cost method. The production and accounting process utilized by our Metals segment to record recycled metals inventory quantities relies on significant estimates. Our Metals segment relies upon perpetual inventory records that utilize estimated recoveries and yields that are based upon historical trends and periodic tests for certain unprocessed

78

[Table of Contents](#TOC)

metal commodities. Over time, these estimates are reasonably good indicators of what is ultimately produced; however, actual recoveries and yields can vary depending on product quality, moisture content and source of the unprocessed metal. To assist in validating the reasonableness of the estimates, our Metals segment performs periodic physical inventories which involve the use of estimation techniques. Physical inventories may detect significant variations in volume, but because of variations in product density and production processes utilized to manufacture the product, physical inventories will not generally detect smaller variations. To help mitigate this risk, our Metals segment adjusts its physical inventories when the volume of a commodity is low and a physical inventory can more accurately estimate the remaining volume.

***Long-Lived Assets***

Long-lived assets such as property, plant, and equipment, and definite-lived intangible assets are recorded at cost or fair value established at acquisition, less accumulated depreciation or amortization, unless the expected future use of the assets indicate a lower value is appropriate. Long-lived assets are evaluated for impairment when impairment indicators exist. An evaluation of impairment consists of reviewing the carrying value of a long-lived asset for recoverability. Recoverability of long-lived assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying value of a long-lived asset is not determined to be recoverable, a fair value assessment is performed. If the carrying amount of the asset exceeds its fair value, an impairment loss is recognized in accordance with U.S. GAAP. Depreciation and amortization are computed principally by the straight-line method for financial reporting purposes.

Land and construction in progress are stated at the lower of cost or net realizable value. Interest is capitalized on expenditures for long-term projects until a salable or ready-for-use condition is reached. The interest capitalization rate is based on the interest rate on specific borrowings to fund the projects.

Costs for planned major maintenance activities (“turnarounds”) for our Energy segment represent major maintenance activities that require shutdown of significant parts of a plant to perform necessary inspection, cleaning, repairs, and replacement of assets. Our Energy segment’s turnaround expenditures are deferred for its petroleum business and expensed as incurred for its nitrogen fertilizer business. Turnarounds generally occur every four to five years for our Energy segment’s refineries and every two to three years for its nitrogen fertilizer plants. Deferred turnaround costs, net of accumulated amortization, are included in other assets in the consolidated financial statements.

***Goodwill and Indefinite-Lived Intangible Assets***

Goodwill and indefinite-lived intangible assets primarily include trademarks and brand names acquired in acquisitions. For a complete discussion of the impairment of goodwill and indefinite-lived intangible assets related to our various segments, see Note 9, “Goodwill and Intangible Assets, Net.”

*Goodwill*

Goodwill is determined as the excess of the fair value of consideration transferred in a business combination over the net amounts of identifiable assets acquired and liabilities assumed. Goodwill is reviewed for impairment annually, or more frequently if impairment indicators exist. An impairment exists when a reporting unit’s carrying value exceeds its fair value. When performing the goodwill impairment testing, we first consider qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Qualitative factors include considering macroeconomic conditions, industry and market conditions, overall financial performance and other factors. If necessary, a quantitative impairment test is performed. When a quantitative impairment test is performed, a reporting units’ fair value is based on valuation techniques using the best available information, primarily discounted cash flows projections, guideline transaction multiples, and multiples of current and future earnings. The impairment charge, if any, is the excess of the tested reporting unit’s carrying value over its fair value, limited to the total amount of goodwill allocated to the tested reporting unit.

79

[Table of Contents](#TOC)

*Indefinite-Lived Intangible Assets*

Indefinite-lived intangible assets are stated at fair value established at acquisition or cost. These indefinite-lived intangible assets are reviewed for impairment annually, or more frequently if impairment indicators exist. An impairment exists when a trademark or brand names’ carrying value exceeds its fair value. The fair values of these assets are based upon the prospective stream of hypothetical after-tax royalty cost savings discounted at rates that reflect the rates of return appropriate for these intangible assets. The impairment charge, if any, is the excess of the assets carrying value over its fair value.

***Pension and Other Post-Retirement Benefit Plan Obligations***

Post-retirement benefit liabilities were $81 million and $73 million as of December 31, 2020 and 2019, respectively, and are included in accrued expenses and other liabilities in our consolidated balance sheets.

Appropriate actuarial methods and assumptions are used in accounting for defined benefit pension plans and other post-retirement benefit plans. These assumptions include long-term rate of return on plan assets, discount rates and other factors. Actual results that differ from the assumptions used are accumulated and amortized over future periods. Therefore, assumptions used to calculate benefit obligations as of the end of the year directly impact the expense to be recognized in future periods. The measurement date for all defined benefit plans is December 31 of each year.

***Accumulated Other Comprehensive Loss***

Accumulated other comprehensive loss is included in the limited partners and general partner components of equity in the consolidated balance sheets in the amounts of $83 million and $82 million as of December 31, 2020 and 2019, respectively. Refer to Note 16, “Changes in Accumulated Other Comprehensive Loss,” for further information.

***Allocation of Net Profits and Losses in Consolidated Affiliated Partnerships***

Net investment income and net realized and unrealized gains and losses on investments of the Investment Funds are allocated to the respective partners of the Investment Funds based on their percentage ownership in such Investment Funds on a monthly basis. Except for our limited partner interest, such allocations made to the limited partners of the Investment Funds are represented as non-controlling interests in our consolidated statements of operations.

***General Partnership Interest of Icahn Enterprises and Icahn Enterprises Holdings***

The general partner’s capital account generally consists of its cumulative share of our net income less cash distributions plus capital contributions. Additionally, in acquisitions of common control companies accounted for at historical cost similar to a pooling of interests, the general partner’s capital account would be charged (or credited) in a manner similar to a distribution (or contribution) for the excess (or deficit) of the fair value of consideration paid over historical basis in the business acquired.

Capital Accounts, as defined under the Partnership Agreement, are maintained for our general partner and our limited partners. The capital account provisions of our Partnership Agreement incorporate principles established for U.S. federal income tax purposes and are not comparable to the equity accounts reflected under U.S. GAAP in our consolidated financial statements. Under our Partnership Agreement, the general partner is required to make additional capital contributions to us upon the issuance of any additional depositary units in order to maintain a capital account balance equal to 1.99% (1% in the case of Icahn Enterprises Holdings) of the total capital accounts of all partners.

Generally, net earnings for U.S. federal income tax purposes are allocated 1.99% (1% in the case of Icahn Enterprises Holdings) and 98.01% (99% in the case of Icahn Enterprises Holdings) between the general partner and the limited partners, respectively, in the same proportion as aggregate cash distributions made to the general partner and the limited partners during the period. This is generally consistent with the manner of allocating net income under our Partnership Agreement; however, it is not comparable to the allocation of net income reflected in our consolidated financial statements.

80

[Table of Contents](#TOC)

Pursuant to the Partnership Agreement, in the event of our dissolution, after satisfying our liabilities, our remaining assets would be divided among our limited partners and the general partner in accordance with their respective percentage interests under the Partnership Agreement. If a deficit balance still remains in the general partner’s capital account after all allocations are made between the partners, the general partner would not be required to make whole any such deficit.

***Basic and Diluted Income Per LP Unit***

For Icahn Enterprises, basic income (loss) per LP unit is based on net income or loss attributable to Icahn Enterprises allocated to limited partners. Net income or loss allocated to limited partners is divided by the weighted-average number of LP units outstanding. Diluted income (loss) per LP unit, when applicable, is based on basic income (loss) adjusted for the potential effect of dilutive securities as well as the related weighted-average number of units and equivalent units outstanding.

For accounting purposes, when applicable, earnings prior to dates of acquisitions of entities under common control are excluded from the computation of basic and diluted income per LP unit as such earnings are allocated to our general partner.

***Income Taxes***

Except as described below, no provision has been made for federal, state, local or foreign income taxes on the results of operations generated by partnership activities, as such taxes are the responsibility of the partners. Provision has been made for federal, state, local or foreign income taxes on the results of operations generated by our corporate subsidiaries and these are reflected within continuing and discontinued operations. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Deferred tax assets are limited to amounts considered to be realizable in future periods. A valuation allowance is recorded against deferred tax assets if management does not believe that we have met the “more-likely-than-not” standard to allow recognition of such an asset.

U.S. GAAP provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. If an uncertain tax position meets the “more-likely-than-not” threshold, the largest amount of tax benefit that is greater than 50 percent likely to be recognized upon ultimate settlement with the taxing authority is recorded. See Note 15, “Income Taxes,” for additional information.

***Leases***

The determination of whether an arrangement is or contains a lease occurs at inception. We account for arrangements that contain lease and non-lease components as a single lease component for all classes of underlying assets. Leases in which we are the lessor are primarily within our Real Estate segment. Refer to Real Estate below for further discussion. In addition, all of our businesses, including our Real Estate segment, enter into lease arrangements as the lessee. The following is our accounting policy for leases in which we are the lessee.

*All Segments and Holding Company*

Leases are classified as either operating or financing by the lessee depending on whether or not the lease terms provide for control of the underlying asset to be transferred to the lessee. When control transfers to the lessee, we classify the lease as a financing lease. All other leases are recorded as operating leases. Effective January 1, 2019, for all

81

[Table of Contents](#TOC)

leases with an initial lease term in excess of twelve months, we record a right-of-use asset with a corresponding liability in the consolidated balance sheet. Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at commencement of the lease based on the present value of the lease payments over the lease term. Right-of-use assets are adjusted for any lease payments made on or before commencement of the lease, less any lease incentives received. As most of our leases do not provide an implicit rate, we use the incremental borrowing rate with respect to each of our businesses based on the information available at commencement of the lease in determining the present value of lease payments. We use the implicit rate when readily determinable. The lease terms used in the determination of our right-of-use assets and lease liabilities reflect any options to extend or terminate the lease when it is reasonably certain that we will exercise such option. We and our subsidiaries, independently of each other, apply a portfolio approach to account for the right-of-use assets and lease liabilities when we or our subsidiaries do not believe that applying the portfolio approach would be materially different from accounting for right-of-use assets and lease liabilities individually.

Operating lease costs are recorded as a single expense recognized on a straight-line basis over the lease term. Operating lease right-of-use assets are amortized for the difference between the straight-line expense less the accretion of interest of the related lease liability. Financing lease costs consists of interest expense on the financing lease liability as well as amortization of the right-of-use financing lease assets on a straight-line basis over the lease term.

*Real Estate*

Leases are classified as either operating, sales-type or direct financing by the lessor. Our Real Estate segment’s net lease portfolio consists of commercial real estate leased to others under long-term operating leases and we account for these leases in accordance with FASB ASC Topic 842, *Leases*. These assets leased to others are recorded at cost, net of accumulated depreciation, and are included in property, plant and equipment, net on our consolidated balance sheets. Assets leased to others are depreciated on a straight-line basis over the useful lives of the assets, ranging from 5 years to 39 years. Lease revenue is recognized on a straight-line basis over the lease term. Cash receipts for all lease payments received are included in net cash flows from operating activities in the consolidated statements of cash flows.

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

Due to the nature of our business, we derive revenue from various sources in various industries. With the exception of all of our Investment segment’s and our Holding Company’s revenues, and our Real Estate segment’s leasing revenue, our revenue is generally derived from contracts with customers in accordance with U.S. GAAP. Such revenue from contracts with customers are included in net sales and other revenues from operations in the consolidated statements of operations; however, our Real Estate segment’s leasing revenue, as disclosed in Note 10, “Leases,” is also included in other revenues from operations. Related contract assets are included in accounts receivable, net or other assets and related contract liabilities are included in accrued expenses and other liabilities in the consolidated balance sheets. Our disaggregation of revenue information includes our net sales and other revenues from operations for each of our reporting segments as well as additional disaggregation of revenue information for our Energy and Automotive segments. See Note 13, “Segment and Geographic Reporting,” for our complete disaggregation of revenue information. In addition, we disclose additional information with respect to revenue from contracts with customers and contract balances for our Energy and Automotive segments below.

*Energy*

*Revenue:* Our Energy segment revenues from the sale of petroleum products are recorded upon delivery of the products to customers, which is the point at which title is transferred and the customer has assumed the risk of loss. This generally takes place as product passes into the pipeline, as a product transfer order occurs within a pipeline system, or as product enters equipment or locations supplied or designated by the customer. For our Energy segment’s nitrogen fertilizer products sold, revenues are recorded at the point in time at which the customer obtains control of the product, which is generally upon delivery and acceptance by the customer. Nitrogen fertilizer products are sold on a wholesale basis under a contract or by purchase order. Excise and other taxes collected from customers and remitted to governmental authorities by our Energy segment are not included in reported revenues.

82

[Table of Contents](#TOC)

The petroleum business’ contracts with its customers state the terms of the sale, including the description, quantity, and price of each product sold. Depending on the product sold, and the type of contract, payments from customers are generally due in full within 30 days of product delivery or invoice date. Many of the petroleum business’ contracts have index-based pricing which is considered variable consideration that should be estimated in determining the transaction price. Our Energy segment determined that it does not need to estimate the variable consideration because the uncertainty related to the consideration is resolved on the pricing date or the date when the product is delivered. The nitrogen fertilizer business has an immaterial amount of variable consideration for contracts with an original duration of less than a year. A small portion of the nitrogen fertilizer partnership’s revenue includes contracts extending beyond one year and contain variable pricing in which the majority of the variability is attributed to the market-based pricing. The nitrogen fertilizer business’ contracts do not contain a significant financing component.

Our Energy segment generally provides no warranty other than the implicit promise that goods delivered are free of liens and encumbrances and meet the agreed upon specifications. In addition, product returns are very rare and are accounted for as they occur; however, contracts do include provisions which state that the petroleum business will except returns of off-spec product, refund the customer, provide on-spec product, and pay for damages to any customer equipment which resulted from off-spec product. Typically, if a customer is not satisfied with a product, the price is adjusted downward instead of the product being returned or exchanged.

As of December 31, 2020, our Energy segment had $6 million of remaining performance obligations for contracts with an original expected duration of more than one year. Our Energy segment expects to recognize approximately $3 million of these performance obligations as revenue by the end of 2021 and the remaining balance thereafter.

*Contract balances:* Our Energy segment’s deferred revenue is a contract liability that primarily relates to fertilizer sales contracts requiring customer prepayment prior to product delivery to guarantee a price and supply of nitrogen fertilizer. Deferred revenue is recorded at the point in time in which a prepaid contract is legally enforceable and the associated right to consideration is unconditional prior to transferring product to the customer. An associated receivable is recorded for uncollected prepaid contract amounts. Contracts requiring prepayment are generally short-term in nature and, as discussed above, revenue is recognized at the point in time in which the customer obtains control of the product. Our Energy segment had deferred revenue of $31 million and $28 million as of December 31, 2020 and 2019, respectively. Deferred revenue is included in accrued expense and other liabilities in the consolidated balance sheets. For the year ended December 31, 2020, 2019 and 2018, our Energy segment recorded revenue of $27 million, $68 million and $34 million, respectively, with respect to deferred revenue outstanding as of the beginning of each respective year.

*Automotive*

*Revenue:* Our Automotive segment recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Our Automotive segment revenue from retail and commercial parts sales is measured based on consideration specified in a contract with a customer and excludes any sales incentives and amounts collected on behalf of third parties. Automotive service revenues are recognized on completion of the service and consist of products and the labor charged for installing products or maintaining or repairing vehicles. Automotive services labor revenues are included in other revenues from operations in our consolidated statements of operations; however, the sale of any installed parts or materials related to automotive services are included in net sales. Our Automotive segment recognizes revenues from extended warranties offered to its customers on tires its sells, including lifetime warranties for road hazard assistance (recognized over 3 years) and 1-year, 3-year and lifetime plans for alignments (recognized over 1 year, 3 years and 5 years, respectively), for which it receives payment upfront. Revenues from extended warranties are recognized over the term of the warranty contract with the satisfaction of its performance obligations measured using the output method. Our Automotive segment recognizes revenues from franchise royalties, for which it receives payment over time, in the period in which royalties are earned, generally based on a percentage of franchise sales.

*Contract balances:* Our Automotive segment has deferred revenue with respect to extended warranty plans of $41 million and $42 million as of December 31, 2020 and 2019, respectively, which are included in accrued expenses and other liabilities in our consolidated balance sheets. For the year ended December 31, 2020, 2019 and 2018, our

83

[Table of Contents](#TOC)

Automotive segment recorded revenue of $25 million, $21 million and $18 million, respectively, with respect to deferred revenue outstanding as of the beginning of each respective year.

*Food Packaging*

Our Food Packaging segment revenues are recognized at the time products are shipped to the customer, under F.O.B. shipping point or F.O.B. port terms, which is the point at which title is transferred, the customer has the assumed risk of loss, and payment has been received or collection is reasonably assumed. Revenues are net of discounts, rebates and allowances. Viskase records all labor, raw materials, in-bound freight, plant receiving and purchasing, warehousing, handling and distribution costs as a component of costs of goods sold.

*Metals*

Our Metals segment’s primary source of revenue is from the sale of processed ferrous scrap metal, non-ferrous scrap metals, steel pipe and steel plate. PSC Metals also generates revenues from sales of secondary plate and pipe, the brokering of scrap metals and from services performed. All sales are recognized when title passes to the customer. Revenues from services are recognized as the service is performed. Sales adjustments related to price and weight differences are reflected as a reduction of revenues when settled.

*Home Fashion*

Our Home Fashion segment records revenue upon delivery and when title is transferred and the customer has assumed the risk of loss. Unless otherwise agreed in writing, title and risk of loss pass from WPH to the customer when WPH delivers the merchandise to the designated point of delivery, to the designated point of destination or to the designated carrier, free on board. Provisions for certain rebates, sales incentives, product returns and discounts to customers are recorded in the same period the related revenue is recorded.

*Pharma*

Our Pharma segment records product and supply revenue at the time of shipment at which time it has satisfied its performance obligations. Product revenue represents the significant majority of our Pharma segment’s revenue and is recognized net of estimated returns as well as net of considerations paid to customers, wholesalers and certified pharmacies for services rendered in accordance with their respective services network agreements and includes a fixed rate per prescription shipped and monthly program management and data fees. Consideration fees are not deemed sufficiently separable from the customers’ purchase of the products and therefore, such fees are recorded as a reduction of revenue at the time of revenue recognition. Our Pharma segment, as the principal party in a supply arrangement, recognizes supply revenue on a gross basis. Our Pharma segment also recognizes license and royalty revenue, which are not significant.

*Mining*

Our Mining segment recognized revenue when title, ownership, and risk of loss pass to the customer, all of which occur upon shipment or delivery of the product and is based on the applicable shipping terms. Revenue was measured at the fair value of the consideration received or receivable, with any adjustments as a result of provisional pricing recorded against revenue.

***Other Revenue and Expense Recognition***

*Real Estate*

*Revenue Recognition:* Revenue from real estate sales and related costs are recognized at the time of closing primarily by specific identification. Substantially all of the property comprising our net lease portfolio is leased to others under long-term net leases and we account for these leases in accordance with applicable U.S. GAAP. We account for our leases as follows: (i) for operating leases, revenue is recognized on a straight line basis over the lease term and

84

[Table of Contents](#TOC)

(ii) for financing leases (x) minimum lease payments to be received plus the estimated value of the property at the end of the lease are considered the gross investment in the lease and (y) unearned income, representing the difference between gross investment and actual cost of the leased property, is amortized to income over the lease term so as to produce a constant periodic rate of return on the net investment in the lease.

*Energy*

*Shipping Costs:* Our Energy segment’s pass-through finished goods delivery costs reimbursed by customers are reported in net sales, while an offsetting expense is included in cost of goods sold.

*Automotive*

*Shipping Costs:* Our Automotive segment recognizes shipping and handling costs as incurred and is included in selling, general and administrative in the consolidated statements of operations for its commercial and retail parts businesses.

***Environmental Liabilities***

We recognize environmental liabilities when a loss is probable and reasonably estimable. Estimates of these costs are based upon currently available facts, internal and third-party assessments of contamination, available remediation technology, site-specific costs, and currently enacted laws and regulations. In reporting environmental liabilities, no offset is made for potential recoveries. Loss contingency accruals, including those for environmental remediation, are subject to revision as further information develops or circumstances change, and such accruals can take into account the legal liability of other parties. Environmental expenditures are capitalized at the time of the expenditure when such costs provide future economic benefits.

***Litigation***

On an ongoing basis, we assess the potential liabilities related to any lawsuits or claims brought against us. While it is typically very difficult to determine the timing and ultimate outcome of such actions, we use our best judgment to determine if it is probable that we will incur an expense related to the settlement or final adjudication of such matters and whether a reasonable estimation of such probable loss, if any, can be made. In assessing probable losses, we make estimates of the amount of insurance recoveries, if any. We accrue a liability when we believe a loss is probable and the amount of loss can be reasonably estimated. Due to the inherent uncertainties related to the eventual outcome of litigation and potential insurance recovery, it is possible that certain matters may be resolved for amounts materially different from any provisions or disclosures that we have previously made.

***Foreign Currency Translation***

Exchange adjustments related to international currency transactions and translation adjustments for international subsidiaries whose functional currency is the U.S. dollar (principally those located in highly inflationary economies) are reflected in the consolidated statements of operations. Translation adjustments of international subsidiaries for which the local currency is the functional currency are reflected in the consolidated balance sheets as a component of accumulated other comprehensive income. Deferred taxes are not provided on translation adjustments, other than for intercompany loans not designated as permanently reinvested, as the earnings of the subsidiaries are considered to be permanently reinvested.

***Concentrations of credit risk***

Concentrations of credit risk relate primarily to derivative instruments from our Investment segment. See Note 6, “Financial Instruments,” for further discussion.

In addition, at our Holding Company, financial instruments that potentially subject us to concentrations of credit risk are primarily cash and cash equivalent deposits. These cash and cash equivalent deposits are maintained with several

85

[Table of Contents](#TOC)

financial institutions. The deposits held at the various financial institutions may exceed federally insured limits. Exposure to this credit risk is reduced by placing such deposits with major financial institutions and monitoring their credit ratings and, therefore, these deposits bear minimal credit risk.

***Adoption of New Accounting Standards***

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

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

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

***Recently Issued Accounting Standards***

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

In March 2020, the FASB issued ASU 2020-04, *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which amends FASB ASC Topic 848, *Reference Rate Reform*. By June 30, 2023, banks will no longer be required to report information that is used to determine London Interbank Offered Rate (“LIBOR”) which is used globally by all types of entities for various types of transactions. As a result, LIBOR could be discontinued, as well as other interest rates used globally. This ASU provides companies with optional expedients for contract modifications under U.S GAAP, excluded components of certain hedging relationships, fair value hedges, and cash flow hedges, as well as certain exceptions, which are intended to help ease the potential accounting burden associated with transitioning

86

[Table of Contents](#TOC)

away from these reference rates. Companies can apply this ASU immediately and will only be available for a limited time (generally through December 31, 2022). We are currently assessing the impact of this standard on our consolidated financial statements.

**3. Related Party Transactions**

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

***Investment Funds***

During the year ended December 31, 2020, Mr. Icahn and his affiliates (excluding us) contributed $1,241 million to the Investment Funds consisting primarily of in-kind investments previously held directly by Mr. Icahn and his affiliates (excluding us). During the years ended December 31, 2019 and 2018, Mr. Icahn and his affiliates (excluding us) invested $220 million and $310 million, respectively, in the Investment Funds, net of redemptions. As of December 31, 2020 and 2019, the total fair market value of investments in the Investment Funds made by Mr. Icahn and his affiliates (excluding us) was approximately $5.0 billion and $4.5 billion, respectively, representing approximately 54% and 51% of the Investment Funds’ assets under management as of each respective date.

We pay for expenses pertaining to the operation, administration and investment activities of our Investment segment for the benefit of the Investment Funds (including salaries, benefits and rent). Effective April 1, 2011, based on an expense-sharing arrangement, certain expenses borne by us are reimbursed by the Investment Funds. For the years ended December 31, 2020, 2019 and 2018, $2 million, $23 million and $12 million, respectively, was allocated to the Investment Funds based on this expense-sharing arrangement.

***Hertz Global Holdings, Inc.***

As discussed in Note 4, “Investments,” the Investment Funds had an investment in the common stock of Hertz Global Holdings, Inc. (“Hertz”) measured at fair value that would have otherwise been subject to the equity method of accounting (until sold in the second quarter of 2020). Icahn Automotive provides services to Hertz in the ordinary course of business. For the years ended December 31, 2020, 2019 and 2018, revenue from Hertz was $20 million, $54 million and $40 million, respectively.

During the year ended December 31, 2018, the Investment Funds purchased shares of a certain investment from Hertz in the amount of $36 million.

In addition to our transactions with Hertz disclosed above, in January 2018, we entered into a Master Motor Vehicle Lease and Management Agreement with Hertz, pursuant to which Hertz granted 767 Leasing the option to acquire certain vehicles from Hertz at rates aligned with the rates at which Hertz sells vehicles to third parties. Under this agreement, as amended, Hertz will lease the vehicles that 767 Leasing purchases from Hertz, or from third parties, under a mutually developed fleet plan and Hertz will manage, service, repair, sell and maintain those leased vehicles on behalf of 767 Leasing. Additionally, Hertz will rent the leased vehicles to transportation network company drivers from rental counters within locations leased or owned by us. This agreement had an initial term of 18 months and is subject to automatic six-month renewals thereafter, unless terminated by either party (with or without cause) prior to the start of any such six-month renewal. Our agreement with Hertz was unanimously approved by the independent directors of Icahn Enterprises’ audit committee. Due to the nature of our involvement with 767 Leasing, which includes Icahn Enterprises and Icahn Enterprises Holdings guaranteeing the payment obligations of 767 Leasing and sharing in the profits of 767 Leasing with Hertz, we determined that 767 Leasing is a variable interest entity. Furthermore, we determined that we are not the primary beneficiary as we do not have the power to direct the activities of 767 Leasing that most significantly impact its economic performance. Therefore, we do not consolidate the results of 767 Leasing. Our exposure to loss with respect to 767 Leasing is primarily limited to our direct investment in 767 Leasing as well as

87

[Table of Contents](#TOC)

any payment obligations of 767 Leasing that we guarantee, which are not material as of December 31, 2020 and 2019. As of December 31, 2020 and 2019, 767 Leasing had assets of $36 million and $121 million, respectively, (primarily vehicles for lease) and total liabilities of $0 million and $1 million, respectively, which represents a payable to Icahn Automotive in connection with a shared services agreement. For the years ended December 31, 2020, 2019 and 2018, 767 Leasing had revenues of $43 million, $75 million and $7 million, respectively and net (loss) income of $(12) million, $10 million and $(3) million, respectively.

For the year ended December 31, 2020, 767 Leasing distributed $75 million to us. For the years ended December 31, 2019 and 2018, we invested $50 million and $60 million, respectively, in 767 Leasing. During the years ended December 31, 2020, 2019 and 2018, we had equity (losses) earnings from 767 Leasing of $(7) million, $11 million and $(1) million, respectively. As of December 31, 2020 and 2019, we had an equity method investment in 767 Leasing of $40 million and $120 million, respectively, which we report in our Automotive segment.

***ACF Industries LLC***

Our Railcar operations, prior to December 5, 2018 (the date we closed on the sale of ARI), had certain transactions with ACF Industries LLC (“ACF”), an affiliate of Mr. Icahn, under various agreements, as well as on a purchase order basis. ACF is a manufacturer and fabricator of specialty railcar parts and miscellaneous steel products. Agreements and transactions with ACF include (i) railcar component purchases from ACF, (ii) railcar parts purchases from and sales to ACF, (iii) railcar purchasing and engineering services agreements with ACF, (iv) lease of certain intellectual property to ACF and (v) railcar repair services and support for ACF. For the year ended December 31, 2018, purchases from ACF were $3 million and revenues from ACF were $6 million.

***Insight Portfolio Group LLC***

Insight Portfolio Group LLC (“Insight Portfolio Group”) is an entity formed and controlled by Mr. Icahn in order to maximize the potential buying power of a group of entities with which Mr. Icahn has a relationship in negotiating with a wide range of suppliers of goods, services and tangible and intangible property at negotiated rates. Icahn Enterprises Holdings has a minority equity interest in Insight Portfolio Group and agreed to pay a portion of Insight Portfolio Group’s operating expenses. In addition to the minority equity interest held by Icahn Enterprises Holdings, certain subsidiaries of ours, including CVR Energy, Viskase, PSC Metals, WPH, Federal-Mogul (prior to October 1, 2018), ARI (prior to December 5, 2018) and Tropicana (prior to October 1, 2018) also acquired minority equity interests in Insight Portfolio Group and agreed to pay a portion of Insight Portfolio Group’s operating expenses. A number of other entities with which Mr. Icahn has a relationship also have minority equity interests in Insight Portfolio Group and also agreed to pay certain of Insight Portfolio Group’s operating expenses. Insight Portfolio Group ceased operations effective January 1, 2020. For the years ended December 31, 2019 and 2018, we and certain of our subsidiaries paid certain of the Insight Portfolio Group’s operating expenses of $3 million and $4 million, respectively.

***Other Related Party Agreements***

On October 1, 2020, we entered into a manager agreement with Brett Icahn, the son of Carl C. Icahn, and affiliates of Brett Icahn. Under the manager agreement, Brett Icahn will serve as the portfolio manager of a designated portfolio of assets within the Investment Funds over a seven-year term, subject to veto rights by our Investment segment and Carl. C. Icahn. Additionally, Brett Icahn will provide certain other services, at our request, which may entail research, analysis and advice with respect to a separate designated portfolio of assets within the Investment Funds. Subject to the terms of the manager agreement, at the end of the seven-year term, Brett Icahn will be entitled to receive a one-time lump sum payment as described in and computed pursuant to the agreement. Brett Icahn will not be entitled to receive from us any other compensation (including any salary or bonus) in respect of the services he is to provide under the manager agreement other than restricted depositary units granted under a restricted unit agreement, as discussed below. In accordance with the manager agreement, Brett Icahn will co-invest with the Investment Funds in certain positions, will make cash contributions to the Investment Funds in order to fund such co-investments and will have a special limited partnership interest in the Investment Funds through which the profit and loss attributable to such co-investments will be allocated to him. During 2020, Brett Icahn contributed $12 million in accordance with the manager agreement.

88

[Table of Contents](#TOC)

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

**4. Investments**

***Investment***

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

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| **Assets** | ​ | ​ | ​ | ​ | ​ | ​ |
| Investments: |  | ​ |  |  | ​ |  |
| Equity securities: |  | ​ |  |  | ​ |  |
| Basic materials | ​ | $ | — | ​ | $ | 281 |
| Consumer, non-cyclical | ​ |  | 1,548 | ​ |  | 2,085 |
| Consumer, cyclical | ​ |  | 2,073 | ​ |  | 2,427 |
| Energy | ​ |  | 2,654 | ​ |  | 1,717 |
| Utilities | ​ |  | 107 | ​ |  | — |
| Technology | ​ |  | 1,578 | ​ |  | 2,425 |
| Industrial | ​ |  | 158 | ​ |  | 127 |
| ​ | ​ |  | 8,118 | ​ |  | 9,062 |
| Corporate debt securities | ​ |  | 121 | ​ |  | 145 |
| ​ | ​ | $ | 8,239 | ​ | $ | 9,207 |
| **Liabilities** | ​ |  |  | ​ |  |  |
| Securities sold, not yet purchased, at fair value: | ​ |  |  | ​ |  |  |
| Equity securities: | ​ |  |  | ​ |  |  |
| Basic materials | ​ | $ | — | ​ | $ | 209 |
| Consumer, non-cyclical | ​ | ​ | 424 | ​ | ​ | 29 |
| Consumer, cyclical | ​ |  | 572 | ​ |  | 379 |
| Energy | ​ |  | 1,476 | ​ |  | 124 |
| Utilities | ​ |  | 49 | ​ |  | — |
| Financial | ​ |  | — | ​ |  | 152 |
| Technology | ​ |  | — | ​ |  | 217 |
| Communication | ​ |  | — | ​ |  | 80 |
| ​ | ​ | $ | 2,521 | ​ | $ | 1,190 |

​

The portion of unrealized gains (losses) that relates to securities still held by our Investment segment, primarily equity securities, was $65 million, $706 million and $(800) million for the years ended December 31, 2020, 2019 and 2018, respectively.

As discussed in Note 2, “Basis of Presentation and Summary of Significant Accounting Policies,” when certain investments become subject to the equity method of accounting, our Investment segment elects the fair value option to such investment. Investments become subject to the equity method of accounting when we possess the ability to exercise

89

[Table of Contents](#TOC)

significant influence, but not control, over the operating and financial policies of the investee. The ability to exercise significant influence is presumed when we possess more than 20% of the voting interests of the investee. This presumption may be overcome based on specific facts and circumstances that demonstrate that the ability to exercise significant influence is restricted. Conversely, there is a presumption that for investments in which we have less than 20% of the voting interests of the investee that we do not have the ability to exercise significant influence. However, such presumption may be overcome based on specific facts and circumstances that demonstrate that the ability to exercise significant influence is present, such as when we have representation on the board of directors of such investee.

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

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Voting** | ​ | **Fair Value of** | | | | | **​** | **Gains (Losses)** | | | | | | | |
| ​ | ​ | **Interests** | ​ | **Investment** | | | | | **​** | **Recognized in Income** | | | | | | | |
| ​ | ​ | **December 31,** | **​** | **December 31,** | | | | | **​** | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | **​** | **2020** | |  | **2019** | | **​** | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | | | | | | | | | |
| ​ |  | ​ | ​ | (in millions) | | | | | | | | | | | | | |
| Herbalife Nutrition Ltd. |  | 15.5% | ​ | $ | 985 | ​ | $ | 1,343 | ​ | $ | 161 | ​ | $ | (318) |  | $ | 864 |
| Hertz Global Holdings, Inc. |  | — | ​ |  | — | ​ |  | 551 | ​ |  | (637) | ​ |  | 105 |  |  | (197) |
| Caesars Entertainment Corporation |  | — | ​ |  | — | ​ |  | 1,243 | ​ |  | 49 | ​ |  | 478 |  |  | — |
| ​ | ​ | ​ | ​ | $ | 985 | ​ | $ | 3,137 | ​ | $ | (427) | ​ | $ | 265 |  | $ | 667 |

​

During the second quarter of 2020, the Investment Funds sold their entire investment in Hertz. Prior to the sale of its investment in Hertz, the Investment Funds owned approximately 38.9% of the outstanding common stock of Hertz. During the third quarter of 2020, the Investment Funds sold their entire investment in Caesars Entertainment Corporation (“Caesars”). Prior to the sale of their investment in Caesars, the Investment Funds owned approximately 16.7% of the outstanding common stock of Caesars.

In addition, in August 2020, the Investment Funds sold a portion of their investment in Herbalife Nutrition Ltd. (“Herbalife”) pursuant to Herbalife’s “modified Dutch auction” tender offer to purchase its common shares, and as a result, the Investment Funds ceased to have an ability to exercise significant influence over the operating and financial policies of Herbalife. Prior to this transaction, the Investment Funds owned approximately 23.8% of the outstanding common stock of Herbalife. In January 2021, Herbalife repurchased shares of its common stock from us and as a result, we owned 6.7% of the outstanding common stock of Herbalife.

Due to the nature of our Investment segment’s operations, the sales of Hertz, Caesars and Herbalife are deemed to be in the ordinary course of business.

The following tables contain summarized financial information with respect to our investments in Hertz and Herbalife during the respective periods (or partial periods) in which we possessed the ability to exercise significant influence over the operating and financial policies of the investee.

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31, 2019** | | | | |
| ​ |  | **Hertz** | |  | **Herbalife** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Total assets | ​ | $ | 24,627 | ​ | $ | 2,679 |
| Total liabilities | ​ |  | 22,739 | ​ |  | 3,069 |
| Non-controlling interests | ​ | ​ | 119 | ​ | ​ | — |
| Equity attributable to investee shareholders | ​ |  | 1,769 | ​ |  | (390) |

​

90

[Table of Contents](#TOC)

The majority of total assets in the table above consists of property, plant and equipment, net for Hertz and cash and cash equivalents, inventories, net and property, plant and equipment, net for Herbalife. The majority of total liabilities in the table above consists of debt for each of Hertz and Herbalife.

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **Hertz** | | | | | | | | ​ | **Herbalife** | | | | | | | |
| ​ | **Year Ended December 31,** | | | | | | | | ​ | **Year Ended December 31,** | | | | | | | |
| ​ | **2020** | |  | **2019** | |  | **2018** | | **​** | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | | | | | | | | | |
| ​ | (in millions) | | | | | | | | | | | | | | | | |
| Net sales/Other revenue from operations | $ | 2,755 | ​ | $ | 9,779 |  | $ | 9,504 | ​ | $ | 2,609 | ​ | $ | 4,877 |  | $ | 4,892 |
| Cost of goods sold/Other expenses from operations | ​ | 3,231 | ​ | ​ | 8,051 | ​ | ​ | 8,045 | ​ | ​ | 518 | ​ | ​ | 958 | ​ | ​ | 919 |
| Net (loss) income | ​ | (1,209) | ​ | ​ | (50) | ​ | ​ | (227) | ​ | ​ | 161 | ​ | ​ | 311 | ​ | ​ | 297 |
| Net (loss) income attributable to investee shareholders |  | (1,203) | ​ |  | (58) |  |  | (225) | ​ |  | 161 | ​ |  | 311 |  |  | 297 |

​

​

***Other Segments and Holding Company***

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

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Equity method investments | ​ | $ | 120 | ​ | $ | 201 |
| Held to maturity debt investments measured at amortized cost | ​ | ​ | 20 | ​ | ​ | — |
| Other investments measured at fair value | ​ |  | 534 | ​ |  | 537 |
| ​ | ​ | $ | 674 | ​ | $ | 738 |

​

The portion of unrealized losses that relates to equity securities still held by our other segments and our Holding Company was $36 million, $421 million and $339 million for the years ended December 31, 2020, 2019 and 2018, respectively.

**5. Fair Value Measurements**

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

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

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

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

91

[Table of Contents](#TOC)

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

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

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

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

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **​** | **​** | **December 31, 2020** | | | | | | | | | | | **​** | **December 31, 2019** | | | | | | | | | | |
| ​ |  | **Level 1** | |  | **Level 2** | |  | **Level 3** | |  | **Total** | |  | **Level 1** | |  | **Level 2** | |  | **Level 3** | |  | **Total** | |
|  | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | **​** | (in millions) | | | | | | | | | | | | | | | | | | | | | | |
| **Assets** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Investments (Note 4) | ​ | $ | 8,546 | ​ | $ | 174 | ​ | $ | 41 | ​ | $ | 8,761 | ​ | $ | 9,448 | ​ | $ | 281 | ​ | $ | 3 | ​ | $ | 9,732 |
| Derivative contracts, at fair value (Note 6) | ​ |  | — | ​ |  | 785 | ​ |  | — | ​ |  | 785 | ​ |  | — | ​ |  | 182 | ​ |  | — | ​ |  | 182 |
| ​ | ​ | $ | 8,546 | ​ | $ | 959 | ​ | $ | 41 | ​ | $ | 9,546 | ​ | $ | 9,448 | ​ | $ | 463 | ​ | $ | 3 | ​ | $ | 9,914 |
| **Liabilities** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Securities sold, not yet purchased (Note 4) | ​ | $ | 2,521 | ​ | $ | — | ​ | $ | — | ​ | $ | 2,521 | ​ | $ | 1,190 | ​ | $ | — | ​ | $ | — | ​ | $ | 1,190 |
| Derivative contracts, at fair value (Note 6) | ​ |  | 11 | ​ |  | 628 | ​ |  | — | ​ |  | 639 | ​ |  | — | ​ |  | 1,224 | ​ |  | — | ​ |  | 1,224 |
| Other liabilities | ​ |  | — | ​ |  | 214 | ​ |  | — | ​ |  | 214 | ​ |  | — | ​ |  | 7 | ​ |  | 6 | ​ |  | 13 |
| ​ | ​ | $ | 2,532 | ​ | $ | 842 | ​ | $ | — | ​ | $ | 3,374 | ​ | $ | 1,190 | ​ | $ | 1,231 | ​ | $ | 6 | ​ | $ | 2,427 |

​

Refer to Note 19, “Pension and Other Post-Retirement Benefit Plans,” for our Food Packaging segment’s defined benefit plan assets measured at fair value on a recurring basis as of December 31, 2020 and 2019.

92

[Table of Contents](#TOC)

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

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

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **Year Ended December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Balance at January 1 | ​ | $ | 3 | ​ | $ | 372 |
| Transfer in from Level 2 | ​ | ​ | 136 | ​ | ​ | — |
| Net gains recognized in income | ​ |  | 48 | ​ |  | 89 |
| Purchases | ​ | ​ | 101 | ​ | ​ | — |
| Transfer out of Level 3 | ​ | ​ | (246) | ​ | ​ | — |
| Sales | ​ |  | — | ​ |  | (458) |
| Other | ​ |  | (1) | ​ |  | — |
| Balance at December 31 | ​ | $ | 41 | ​ | $ | 3 |

​

During 2020, we transferred our debt investment in Vivus from Level 2 to Level 3 due to the reduction in market observable sources occurring during the period. The fair value of this investment was derived from the enterprise value of Vivus at emergence from bankruptcy, which was valued using a discounted cash flow method. We recognized a gain of $48 million as a result of adjusting the fair value of this investment just prior to emergence. In the fourth quarter of 2020, this debt investment, consisting of convertible debt securities, along with a separate debt investment in Vivus, consisting of a term loan, was transferred out of Level 3 upon Vivus’ emergence from bankruptcy, at which point, we acquired all of the equity interests in Vivus, resulting in Vivus becoming a consolidated subsidiary of ours.

As of the beginning of 2019, we had a certain equity investment which was considered a Level 3 investment due to unobservable market data and was measured at fair value on a recurring basis. We determined the fair value of this investment based on recent market transactions. During 2019, we sold this equity investment in its entirety.

During 2020, our Real Estate segment recorded an impairment of certain development property, included in other assets in the consolidated balance sheets, of $5 million, and property, plant and equipment, net of $2 million.

Refer to Note 9, “Goodwill and Intangible Assets, Net,” for discussion of our goodwill and intangible asset impairments.

Refer to Note 13, “Segment and Geographic Reporting,” for total impairment recorded by each of our segments.

**6.   Financial Instruments**

***Overview***

*Investment*

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

Credit concentrations may arise from investment activities and may be impacted by changes in economic, industry or political factors. The Investment Funds routinely execute transactions with counterparties in the financial services industry, resulting in credit concentration with respect to the financial services industry. In the ordinary course of

93

[Table of Contents](#TOC)

business, the Investment Funds may also be subject to a concentration of credit risk to a particular counterparty. The Investment Funds seek to mitigate these risks by actively monitoring exposures, collateral requirements and the creditworthiness of its counterparties.

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

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

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

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

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

Certain terms of the Investment Funds’ contracts with derivative counterparties, which are standard and customary to such contracts, contain certain triggering events that would give the counterparties the right to terminate the derivative instruments. In such events, the counterparties to the derivative instruments could request immediate payment on derivative instruments in net liability positions. The aggregate fair value of all of the Investment Funds’ derivative instruments with credit-risk-related contingent features that are in a liability position at December 31, 2020 and 2019 was $1 million and $266 million, respectively.

​

94

[Table of Contents](#TOC)

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

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **​** | **December 31, 2020** | | | | | **​** | **December 31, 2019** | | | | |
| ​ |  | **Long Notional Exposure** | |  | **Short Notional Exposure** | |  | **Long Notional Exposure** | |  | **Short Notional Exposure** | |
|  | | | | | | | | | | | | |
| ​ | **​** | **​** | (in millions) | | | | | | | | | |
| Primary underlying risk: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Equity contracts | ​ | $ | — | ​ | $ | 8,623 | ​ | $ | 806 | ​ | $ | 13,113 |
| Credit contracts(1) |  | ​ | — |  | ​ | 2,099 | ​ | ​ | — | ​ | ​ | 622 |

|  |  |
| --- | --- |
| (1) | The short notional amount on our credit default swap positions was approximately $6.3 billion at December 31, 2020. However, because credit spreads cannot compress below zero, our downside short notional exposure to loss is approximately $2.1 billion as of December 31, 2020. The short notional amount on our credit default swap positions was approximately $4.7 billion as of December 31, 2019. However, because credit spreads cannot compress below zero, our downside short notional exposure to loss is $622 million as of December 31, 2019. |

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

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

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Asset Derivatives** | | | | | ​ | **Liability Derivatives** | | | | |
| ​ |  | **December 31, 2020** | |  | **December 31, 2019** | |  | **December 31, 2020** | |  | **December 31, 2019** | |
|  | | | | | | | | | | | | |
| ​ | ​ | ​ | (in millions) | | | | | | | | | |
| Equity contracts | ​ | $ | 4 | ​ | $ | 291 | ​ | $ | 852 | ​ | $ | 1,058 |
| Credit contracts | ​ |  | 1,012 | ​ |  | — | ​ |  | 1 | ​ |  | 266 |
| Sub-total | ​ |  | 1,016 | ​ |  | 291 | ​ |  | 853 | ​ |  | 1,324 |
| Netting across contract types(1) | ​ |  | (231) | ​ |  | (109) | ​ |  | (231) | ​ |  | (109) |
| Total(1) | ​ | $ | 785 | ​ | $ | 182 | ​ | $ | 622 | ​ | $ | 1,215 |

|  |  |
| --- | --- |
| (1) | Excludes netting of cash collateral received and posted. The total collateral posted at December 31, 2020 and 2019 was $872 million and $903 million, respectively, across all counterparties, which are included in cash held at consolidated affiliated partnerships and restricted cash in the consolidated balance sheets. |

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

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | **Gain (Loss) Recognized in Income(1)** | | | | | | | |
| ​ | **Year Ended December 31,** | | | | | | | |
| ​ | **2020** | |  | **2019** | |  | **2018** | |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | | |
| Equity contracts | $ | (1,583) | ​ | $ | (2,152) | ​ | $ | 603 |
| Credit contracts |  | 1,088 | ​ |  | (342) | ​ |  | 129 |
| Commodity contracts |  | — | ​ |  | (8) | ​ |  | 66 |
| ​ | $ | (495) | ​ | $ | (2,502) | ​ | $ | 798 |

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

95

[Table of Contents](#TOC)

*Energy*

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

As of December 31, 2020, CVR Refining had 7 million outstanding commodity swap positions. As of December 31, 2020 and 2019, CVR Refining had open forward purchase and sale commitments for 6 million barrels and 4 million barrels, respectively. As of December 31, 2020, CVR Refining had open fixed-price commitments to purchase a net 13 million RINs.

Certain derivative contracts executed by our Energy segment with a single counterparty are reported on a net-by-counterparty basis where a legal right of offset exists under an enforceable netting agreement. As of December 31, 2020 and 2019, our Energy segment had net liability derivatives of $17 million and $8 million, respectively. Gains recognized on derivatives for our Energy segment were $55 million, $19 million and $146 million for the years ended December 31, 2020, 2019 and 2018, respectively. Gains recognized on derivatives for our Energy segment are included in cost of goods sold on the consolidated statements of operations.

**7.  Inventories, Net**

Inventories, net consists of the following:

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Raw materials | ​ | $ | 183 | ​ | $ | 206 |
| Work in process | ​ |  | 83 | ​ |  | 94 |
| Finished goods | ​ |  | 1,314 | ​ |  | 1,495 |
| ​ | ​ | $ | 1,580 | ​ | $ | 1,795 |

​

Inventories in the table above is presented net of reserves of $73 million and $27 million as of December 31, 2020 and 2019, respectively.

During the first quarter of 2020, our Energy segment had inventories, net with a carrying value in excess of net realizable value. As a result, our Energy segment recorded a write-down of its inventories of $58 million, which is included in cost of goods sold in the consolidated statements of operations for the year ended December 31, 2020. The

96

[Table of Contents](#TOC)

write-down represents the difference between the carrying value of inventories accounted for using the first-in-first-out method and selling prices for refined products subsequent to March 31, 2020.

**8.  Property, Plant and Equipment, Net**

Property, plant and equipment, net consists of the following:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | **December 31,** | | | | |
| ​ |  | **Useful Life** | |  | **2020** | |  | **2019** | |
|  | | | | | | | | | |
| ​ | ​ | (in years) | | ​ | ​ | (in millions) | | | |
| Land | ​ | ​ | ​ | ​ | $ | 393 | ​ | $ | 396 |
| Buildings and improvements | ​ |  | 1 - 40 | ​ |  | 920 |  |  | 901 |
| Machinery, equipment and furniture | ​ |  | 2 - 30 | ​ |  | 5,347 |  |  | 5,272 |
| Assets leased to others | ​ |  | 5 - 39 | ​ |  | 280 |  |  | 289 |
| Financing leases | ​ |  | 3 - 18 | ​ |  | 113 |  |  | 117 |
| Construction in progress | ​ |  | ​ | ​ |  | 151 | ​ |  | 147 |
| ​ | ​ |  | ​ | ​ |  | 7,204 | ​ |  | 7,122 |
| Less: Accumulated depreciation and amortization | ​ |  | ​ | ​ |  | (2,976) | ​ |  | (2,668) |
| Property, plant and equipment, net | ​ | ​ | ​ | ​ | $ | 4,228 | ​ | $ | 4,454 |

​

Depreciation and amortization expense related to property, plant and equipment for the years ended December 31, 2020, 2019 and 2018 was $406 million, $410 million and $398 million, respectively.

See Note 5, “Fair Value Measurements,” for discussion regarding certain impairments to our property, plant and equipment.

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

Goodwill consists of the following:

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31, 2020** | | | | | | | | | | | | | | | | |
| ​ |  | **Automotive** | |  | **Food Packaging** | |  | **Metals** | |  | **Home Fashion** | |  | **Pharma** | |  | **Consolidated** | |
|  | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | |
| Gross carrying amount, Jan 1 | ​ | $ | 336 |  | $ | 6 |  | $ | 4 |  | $ | 23 |  | $ | — | ​ | $ | 369 |
| Acquisitions |  | ​ | 5 |  | ​ | — |  | ​ | — |  | ​ | 1 |  | ​ | 13 |  | ​ | 19 |
| Gross carrying amount, Dec 31 |  | ​ | 341 |  | ​ | 6 |  | ​ | 4 |  | ​ | 24 |  | ​ | 13 |  | ​ | 388 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Accumulated impairment, Jan 1 |  | ​ | (87) |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (87) |
| Impairment |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (3) |  | ​ | — |  | ​ | (3) |
| Accumulated impairment, Dec 31 |  | ​ | (87) |  | ​ | — |  | ​ | — |  | ​ | (3) |  | ​ | — |  | ​ | (90) |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net carrying value, Dec 31 | ​ | $ | 254 | ​ | $ | 6 | ​ | $ | 4 | ​ | $ | 21 | ​ | $ | 13 | ​ | $ | 298 |

​

​

97

[Table of Contents](#TOC)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31, 2019** | | | | | | | | | | | | | |
| ​ |  | **Automotive** | |  | **Food Packaging** | |  | **Metals** | |  | **Home Fashion** | |  | **Consolidated** | |
|  | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | |
| Gross carrying amount, Jan 1 | ​ | $ | 328 | ​ | $ | 6 | ​ | $ | — | ​ | $ | — | ​ | $ | 334 |
| Acquisitions |  | ​ | 8 |  | ​ | — |  | ​ | 4 |  | ​ | 22 |  | ​ | 34 |
| Foreign exchange |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 1 |  | ​ | 1 |
| Gross carrying amount, Dec 31 |  | ​ | 336 |  | ​ | 6 |  | ​ | 4 |  | ​ | 23 |  | ​ | 369 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Accumulated impairment, Jan 1 |  | ​ | (87) |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (87) |
| Impairment |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |
| Accumulated impairment, Dec 31 |  | ​ | (87) |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (87) |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net carrying value, Dec 31 | ​ | $ | 249 | ​ | $ | 6 | ​ | $ | 4 | ​ | $ | 23 | ​ | $ | 282 |

​

Intangible assets, net consists of the following:

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31, 2020** | | | | | | | | ​ | **December 31, 2019** | | | | | | | |
| ​ |  | **Gross** | |  | ​ | ​ |  | **Net** | |  | **Gross** | |  | ​ | ​ |  | **Net** | |
| ​ | ​ | **Carrying** | | ​ | **Accumulated** | | ​ | **Carrying** | | ​ | **Carrying** | | ​ | **Accumulated** | | ​ | **Carrying** | |
| ​ | ​ | **Amount** | | ​ | **Amortization** | | ​ | **Value** | | ​ | **Amount** | | ​ | **Amortization** | | ​ | **Value** | |
|  | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | |
| Definite-lived intangible assets: |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |
| Customer relationships | ​ | $ | 399 | ​ | $ | (176) | ​ | $ | 223 | ​ | $ | 397 | ​ | $ | (155) |  | $ | 242 |
| Developed technology | ​ | ​ | 254 | ​ | ​ | (6) | ​ | ​ | 248 | ​ | ​ | 4 | ​ | ​ | (4) |  | ​ | — |
| Other | ​ |  | 269 | ​ |  | (163) | ​ |  | 106 | ​ |  | 269 | ​ |  | (142) | ​ |  | 127 |
| ​ | ​ | $ | 922 | ​ | $ | (345) | ​ | $ | 577 | ​ | $ | 670 | ​ | $ | (301) | ​ | $ | 369 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Indefinite-lived intangible assets | ​ |  |  | ​ |  |  | ​ | $ | 83 | ​ |  |  | ​ |  |  | ​ | $ | 62 |
| Intangible assets, net | ​ |  |  | ​ |  |  | ​ | $ | 660 | ​ |  |  | ​ |  |  | ​ | $ | 431 |

​

Amortization expense associated with definite-lived intangible assets for the years ended December 31, 2020, 2019 and 2018 was $44 million, $40 million and $47 million, respectively. We utilize the straight-line method of amortization, recognized over the estimated useful lives of the assets.

The estimated future amortization expense for our definite-lived intangible assets is as follows:

​

|  |  |  |  |
| --- | --- | --- | --- |
| ​ | ​ | ​ | ​ |
| **Year** |  | **Amount** | |
| ​ | ​ | (in millions) | |
| 2021 | ​ | $ | 63 |
| 2022 | ​ |  | 60 |
| 2023 | ​ |  | 60 |
| 2024 | ​ |  | 59 |
| 2025 | ​ |  | 57 |
| Thereafter | ​ |  | 278 |
| ​ | ​ | $ | 577 |

​

***Acquisitions***

Acquisitions during the year ended December 31, 2020 were not material individually or in the aggregate. As a result of Vivus’ emergence from bankruptcy in December 2020, our Pharma segment allocated $13 million to goodwill and $271 million to intangible assets during 2020, of which $250 million relates to developed technologies and $21 million relates to in process research and development. The fair value of the developed technologies recognized were

98

[Table of Contents](#TOC)

based on estimates of the future discounted cash flows expected to be generated over the useful lives of the developed technologies. The developed technologies consist of two approved therapies estimated to have useful lives ranging from 5 and 18 years. The allocations to goodwill and intangible assets are not final and are subject to change.

***Impairment of Goodwill***

When performing the quantitative analysis for goodwill impairment testing, we base the fair value of our reporting units on consideration of various valuation methodologies, including projecting future cash flows discounted at rates commensurate with the risks involved (“DCF”). Assumptions used in a DCF require the exercise of significant judgment, including judgment about appropriate discount rates and terminal values, growth rates, and the amount and timing of expected future cash flows. The forecasted cash flows are based on current plans and for years beyond that plan, the estimates are based on assumed growth rates. We believe that our assumptions are consistent with the plans and estimates used to manage the underlying businesses. The discount rates, which are intended to reflect the risks inherent in future cash flow projections, used in a DCF are based on estimates of the weighted-average cost of capital of a market participant. Such estimates are derived from our analysis of peer companies and consider the industry weighted average return on debt and equity from a market participant perspective.

*Automotive*

We perform the annual goodwill impairment test for our Automotive segment as of October 1 of each year, or more frequently if impairment indicators exist.

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

During 2019, our Automotive segment considered qualitative factors to determine that goodwill at its Service reporting unit did not require further testing for impairment.

In the fourth quarter of 2018, coinciding with our annual goodwill impairment analysis, we reorganized our Automotive segment’s reporting units. Prior to the reorganization, our Automotive segment had two reporting units, Pep-Boys and AutoPlus, with all of its goodwill allocated to the Pep-Boys reporting unit. A goodwill impairment analysis just prior to the reorganization did not have an impact on the Pep-Boys reporting unit goodwill. Upon reorganization of the reporting units, a portion of the Pep-Boys reporting unit was reallocated to the AutoPlus reporting unit, which resulted in our Automotive segment continuing to have two redefined reporting units, Service and Parts. As a result, a portion of the goodwill was reallocated using a relative fair value allocation approach, which resulted in approximately 27% of the goodwill being reallocated to the Parts reporting unit. Based on our annual goodwill impairment analysis for our Automotive segment, which reflected our reorganized reporting units, we determined that the carrying value of its Parts reporting unit exceeded its fair value and as a result, we recognized a goodwill impairment charge of $87 million in the fourth quarter of 2018, which represented the full amount of the goodwill allocated to the Parts reporting unit. This impairment was the result of our reporting unit reorganization, which resulted in a significant amount of carrying value of net assets being reallocated to the Parts reporting unit, primarily for inventory, with a significantly lesser fair value due to the future projected cash flows of the Parts reporting unit, which resulted in the Parts reporting unit having a carrying value in excess of its fair value. Therefore, the goodwill reallocated to the Parts reporting unit was immediately impaired. We also determined that the fair value of our Automotive segment’s Service reporting unit was significantly in excess of its carrying value and therefore, no additional impairment is required.

*Home Fashion*

We perform the annual goodwill impairment test for our Home Fashion segment as of October 1 of each year, or more frequently if impairment indicators exist. During the second quarter of 2020, our Home Fashion segment impaired a portion of its goodwill in the amount of $3 million.

99

[Table of Contents](#TOC)

**10. Leases**

*All Segments and Holding Company*

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

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

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ |  | **December 31,** | | | | |
| ​ | ​ | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Operating Leases: | ​ |  | ​ | ​ |  | ​ |
| Right-of-use assets (other assets) | ​ | $ | 552 | ​ | $ | 624 |
| Lease liabilities (accrued expenses and other liabilities) | ​ |  | 570 | ​ |  | 647 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Financing Leases: | ​ |  | ​ | ​ |  | ​ |
| Right-of-use assets (property, plant and equipment, net) | ​ |  | 65 | ​ |  | 77 |
| Lease liabilities (debt) | ​ |  | 81 | ​ |  | 93 |

​

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

​

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ |  | **Right-Of-Use** | |  | **Lease** | |  | ​ |  | **Discount** |  |
| **Operating Leases as of December 31, 2020** | ​ | **Assets** | | ​ | **Liabilities** | | ​ | **Lease Term** | ​ | **Rate** |  |
|  | | | | | | | | | | | |
| **​** | ​ | (in millions) | | | | | ​ | ​ | ​ | ​ | ​ |
| Energy | ​ | $ | 37 | ​ | $ | 38 | ​ | 3.1 years | ​ | 5.5% | ​ |
| Automotive | ​ |  | 436 | ​ |  | 456 |  | 4.6 years |  | 5.7% | ​ |
| Food Packaging | ​ |  | 32 | ​ |  | 36 |  | 11.1 years |  | 7.4% | ​ |
| Other segments and Holding Company | ​ |  | 47 | ​ |  | 40 |  |  |  |  | ​ |
| ​ | ​ | $ | 552 | ​ | $ | 570 | ​ | ​ | ​ | ​ | ​ |

​

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

100

[Table of Contents](#TOC)

​

Maturities of lease liabilities as of December 31, 2020 are as follows:

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Operating** | | ​ | **Financing** | |
| Year |  | **Leases** | |  | **Leases** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| 2021 | ​ | $ | 181 | ​ | $ | 18 |
| 2022 | ​ |  | 152 | ​ |  | 14 |
| 2023 | ​ |  | 100 | ​ |  | 12 |
| 2024 | ​ |  | 73 | ​ |  | 12 |
| 2025 | ​ |  | 49 | ​ |  | 13 |
| Thereafter | ​ |  | 121 | ​ |  | 43 |
| Total lease payments | ​ |  | 676 | ​ |  | 112 |
| Less: imputed interest | ​ |  | (106) | ​ |  | (31) |
| ​ | ​ | $ | 570 | ​ | $ | 81 |

​

For the year ended December 31, 2020, lease cost was comprised of operating lease cost of $200 million, amortization of financing lease right-of use assets of $11 million and interest expense on financing lease liabilities of $7 million. For the year ended December 31, 2019, lease cost was comprised of operating lease cost of $202 million, amortization of financing lease right-of use assets of $14 million and interest expense on financing lease liabilities of $7 million. Our Automotive segment accounted for $166 million and $173 million of total lease cost for the years ended December 31, 2020 and 2019, respectively.

Rent expense under operating leases for the years ended December 31, 2018, prior to the adoption of ASC 842, was $168 million.

*Real Estate*

Our Real Estate segment leases real estate, primarily commercial properties under long-term operating leases. As of December 31, 2020 and 2019, our Real Estate segment has assets leased to others included in property, plant and equipment of $222 million and $222 million, respectively, net of accumulated depreciation. Our Real Estate segment’s revenue from operating leases were $32 million, $33 million and $39 million for the years ended December 31, 2020, 2019 and 2018, respectively, and are included in other revenue from operations in the consolidated statements of operations. Our Real Estate segment’s anticipated future receipts of minimum operating lease payments receivable are $5 million for 2021, $1 million in 2022 and less than $1 million in 2023 and thereafter.

101

[Table of Contents](#TOC)

**11. Debt**

Debt consists of the following:

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **​** | ​ | **December 31,** | | | | |
| **​** |  | **2020** | |  | **2019** | |
|  | | | | | | |
| **​** | ​ | (in millions) | | | | |
| **Holding Company:** | ​ | ​ |  | ​ | ​ |  |
| 5.875% senior unsecured notes due 2022 | ​ | $ | — | ​ | $ | 1,345 |
| 6.250% senior unsecured notes due 2022 | ​ |  | 1,209 | ​ |  | 1,211 |
| 6.750% senior unsecured notes due 2024 | ​ |  | 499 | ​ |  | 498 |
| 4.750% senior unsecured notes due 2024 | ​ |  | 1,106 | ​ |  | 498 |
| 6.375% senior unsecured notes due 2025 | ​ |  | 748 | ​ |  | 748 |
| 6.250% senior unsecured notes due 2026 | ​ |  | 1,250 | ​ |  | 1,250 |
| 5.250% senior unsecured notes due 2027 | ​ |  | 999 | ​ |  | 747 |
| ​ | ​ |  | 5,811 | ​ |  | 6,297 |
| **Reporting Segments:** | ​ | ​ | ​ | ​ | ​ | ​ |
| Energy | ​ |  | 1,691 | ​ |  | 1,195 |
| Automotive | ​ |  | 368 | ​ |  | 405 |
| Food Packaging | ​ |  | 151 | ​ |  | 268 |
| Metals | ​ |  | 16 | ​ |  | 7 |
| Real Estate | ​ |  | 1 | ​ |  | 2 |
| Home Fashion | ​ |  | 21 | ​ |  | 18 |
| ​ | ​ |  | 2,248 | ​ |  | 1,895 |
| Total Debt | ​ | $ | 8,059 | ​ | $ | 8,192 |

​

**Holding Company**

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

In January 2020, the Issuers issued $600 million in aggregate principal amount of 4.750% senior unsecured notes due 2024 and $250 million in aggregate principal amount of 5.250% senior unsecured notes due 2027. The proceeds from these notes, together with cash on hand, were used to repay in full our prior outstanding $1.35 billion principal amount of 5.875% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses.

In May and June 2019, the Issuers issued $1.250 billion in aggregate principal amount of 6.250% senior unsecured notes due 2026. The proceeds from these notes, together with cash on hand, were used to redeem all of the prior outstanding 6.000% senior unsecured notes due 2020 and to pay accrued interest, related fees and expenses.

In September 2019, the Issuers issued $500 million in aggregate principal amount of 4.750% senior unsecured notes due 2024. The proceeds from these notes were used for general limited partnership purposes.

In December 2019, the Issuers issued $750 million in aggregate principal amount of 5.250% senior unsecured notes due 2027. The proceeds from these notes were used for general limited partnership purposes.

In January 2017, the Issuers issued $500 million in aggregate principal amount of 6.750% senior unsecured notes due 2024 and $695 million in aggregate principal amount of 6.250% senior unsecured notes due 2022. The proceeds from these notes were used to redeem all of the prior outstanding senior unsecured notes due 2017 and to pay accrued interest, related fees and expenses.

In December 2017, the Issuers issued $750 million in aggregate principal amount of 6.375% senior unsecured notes due 2025 and an additional $510 million in aggregate principal amount of its existing 6.250% senior unsecured notes due 2022. The proceeds from these notes, together with cash on hand, were used to redeem all of the prior outstanding senior unsecured notes due 2019 and to pay accrued interest, related fees and expenses.

102

[Table of Contents](#TOC)

Icahn Enterprises recorded a loss on extinguishment of debt of $4 million in 2020 and a gain on extinguishment of debt of $2 million in 2019 in connection with the debt transactions discussed above.

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

The indentures governing each of our senior unsecured notes restrict the payment of cash distributions, the purchase of equity interests or the purchase, redemption, defeasance or acquisition of debt subordinated to the senior unsecured notes. The indentures also restrict the incurrence of debt or the issuance of disqualified stock, as defined in the indentures, with certain exceptions. In addition, the indentures require that on each quarterly determination date, we and the guarantor of the notes (currently only Icahn Enterprises Holdings) maintain certain minimum financial ratios, as defined therein. The indentures also restrict the creation of liens, mergers, consolidations and sales of substantially all of our assets, and transactions with affiliates. Additionally, each of the senior unsecured notes outstanding as of December 31, 2020, except for the 4.750% senior unsecured notes due 2024 and the 5.250% senior unsecured notes due 2027, are subject to optional redemption premiums in the event we redeem any of the notes prior to certain dates as described in the indentures.

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

*Subsequent Event*

In January 2021, the Issuers issued $750 million in aggregate principal amount of 4.375% senior unsecured notes due 2029. The proceeds from this issuance, together with cash on hand, were used to redeem $750 million principal amount of our 6.250% senior unsecured notes due 2022, and to pay accrued interest, related fees and expenses.

**Reporting Segments**

***Energy***

CVR Energy’s debt primarily consists of $600 million in aggregate principal amount of 5.25% senior unsecured notes due 2025 and $400 million in aggregate principal amount of 5.75% senior unsecured notes due 2028 (each issued by CVR Energy) and $645 million in aggregate principal amount of 9.25% senior secured notes due 2023 (issued by CVR Partners). Interest for each of these notes are accrued and paid based on contractual terms.

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

The senior secured notes issued by CVR Refining are jointly and severally guaranteed on a senior secured basis by the wholly owned subsidiaries of CVR Energy with the exception of CVR Partners and its subsidiaries and certain immaterial wholly owned subsidiaries of CVR Energy. The senior secured notes issued by CVR Partners are guaranteed on a senior secured basis by all of CVR Partners’ existing subsidiaries.

The indentures governing these notes contain certain covenants that restrict the ability of the issuers and their restricted subsidiaries from incurring additional debt or issue certain disqualified equity, create liens on certain assets to secure debt, pay dividends/distributions or make other equity distributions, purchase or redeem capital stock/common units, make certain investments, sell assets, agree to certain restrictions on the ability of restricted subsidiaries to make distributions, loans, or other asset transfers to the issuers, consolidate, merge, sell, or otherwise dispose of all or

103

[Table of Contents](#TOC)

substantially all of their assets, engage in transactions with affiliates and designate restricted subsidiaries as unrestricted subsidiaries.

As of December 31, 2020 and 2019, total availability under CVR Refining and CVR Partners variable rate asset based revolving credit facilities aggregated $385 million and $443 million, respectively. CVR Refining also had $35 million and $7 million of letters of credit outstanding as of December 31, 2020 and 2019.

***Automotive***

Icahn Automotive’s debt primarily consists of an asset-based revolving credit facility with variable interest rates. Icahn Automotive debt outstanding under this credit facility was $350 million and $382 million as of December 31, 2020 and 2019, respectively, and matures in the third quarter of 2021. Interest for the credit facility is accrued and paid based on contractual terms. The interest rate on the credit facility was 2.01% and 4.15% as of December 31, 2020 and 2019, respectively. Substantially all of Icahn Automotive’s assets are pledged as collateral under the above credit facility.

As of December 31, 2020 and 2019, there was availability under revolving credit facilities of $96 million and $107 million, respectively. Icahn Automotive also had $45 million and $41 million of letters of credit outstanding as of December 31, 2020 and 2019, respectively.

***Food Packaging***

Viskase’s debt primarily consists of a credit agreement providing for a $150 million term loan and a $30 million revolving credit facility issued in October 2020 and maturing in 2023. The proceeds from the term loan, plus cash received from Viskase’s equity private placement in October 2020, as discussed in Note 1, “Description of Business,” were used to repay in full Viskase’s existing term loan. Interest for this note is accrued and paid based on contractual terms. The interest rate on Viskase’s term loans were 3.72% and 5.19% as of December 31, 2020 and 2019, respectively.

**Covenants**

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

**Non-Cash Charges to Interest Expense**

The amortization of deferred financing costs and debt discounts and premiums included in interest expense in the consolidated statements of operations were $4 million, $6 million and $5 million for the years ended December 31, 2020, 2019 and 2018, respectively.

**Consolidated Maturities**

The following is a summary of the maturities of our debt:

​

|  |  |  |  |
| --- | --- | --- | --- |
| ​ | ​ | ​ | ​ |
| **Year** |  | **Amount** | |
| ​ | ​ | (in millions) | |
| 2021 | ​ | $ | 400 |
| 2022 | ​ |  | 1,213 |
| 2023 | ​ |  | 777 |
| 2024 | ​ |  | 1,600 |
| 2025 | ​ |  | 1,350 |
| Thereafter | ​ |  | 2,651 |
| Total debt payments (excluding financing lease payments) | ​ |  | 7,991 |
| Less: unamortized discounts, premiums and deferred financing fees | ​ |  | (13) |
| Financing leases (Note 10) | ​ |  | 81 |
| ​ | ​ | $ | 8,059 |

​

​

104

[Table of Contents](#TOC)

**12. Net Income Per LP Unit**

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

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions, except per unit amounts) | | | | | | | |
| Net loss attributable to Icahn Enterprises from continuing operations | ​ | $ | (1,653) |  | $ | (1,066) |  | $ | (238) |
| Net loss attributable to Icahn Enterprises from continuing operations allocated to limited partners (98.01% allocation) | ​ | $ | (1,620) | ​ | $ | (1,045) | ​ | $ | (233) |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net (loss) income attributable to Icahn Enterprises from discontinued operations | ​ | $ | — | ​ | $ | (32) | ​ | $ | 1,720 |
| Less: net loss attributable to Icahn Enterprises from discontinued operations allocated 100% to general partner | ​ |  | — | ​ |  | — | ​ |  | 598 |
| Net (loss) income attributable to Icahn Enterprises from discontinued operations allocable to limited partners | ​ | $ | — | ​ | $ | (32) | ​ | $ | 2,318 |
| Net loss (income) attributable to Icahn Enterprises from discontinued operations allocated to limited partners (98.01% allocation) | ​ | $ | — | ​ | $ | (31) | ​ | $ | 2,272 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Basic and diluted (loss) income per LP unit: | ​ |  |  | ​ |  |  | ​ |  |  |
| Continuing operations | ​ | $ | (7.33) | ​ | $ | (5.23) | ​ | $ | (1.29) |
| Discontinued operations | ​ |  | — | ​ |  | (0.15) | ​ |  | 12.62 |
| Basic and diluted (loss) income per LP unit | ​ | $ | (7.33) | ​ | $ | (5.38) | ​ | $ | 11.33 |
| Basic and diluted weighted average LP units outstanding | ​ |  | 221 | ​ |  | 200 | ​ |  | 180 |

​

***GP Allocation***

As disclosed in Note 2, “Basis of Presentation and Summary of Significant Accounting Policies - Acquisition, Investments and Disposition of Entities under Common Control,” upon the sale of common control entities, such as Federal-Mogul and ARI, a portion of the gain or loss on the sale is first allocated to the general partner in order to restore the general partners’ capital account for cumulative charges or credits relating to periods prior to our obtaining a controlling interest in such entities from Mr. Icahn and his affiliates. After such general partner allocation, the remaining gain is allocated among our general partner and limited partners, in accordance with their respective ownership percentages.

***LP Unit Transactions***

The following table summarizes the changes in Icahn Enterprises outstanding depositary units during each of the years ended December 31, 2020, 2019 and 2018.

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Mr. Icahn and** | ​ | **Public** | ​ | ​ |
| ​ |  | **Affiliates** |  | **Unitholders** |  | **Total** |
| December 31, 2017 | ​ | 157,898,582 |  | 15,665,725 | ​ | 173,564,307 |
| Unit distributions |  | 17,543,006 |  | 235,944 |  | 17,778,950 |
| 2017 Incentive Plan |  | — |  | 22,840 |  | 22,840 |
| December 31, 2018 |  | 175,441,588 |  | 15,924,509 |  | 191,366,097 |
| Unit distributions |  | 21,608,064 |  | 290,789 |  | 21,898,853 |
| 2017 Incentive Plan |  | — |  | 19,259 |  | 19,259 |
| 2019 at-the-market offering |  | — |  | 794,349 |  | 794,349 |
| December 31, 2019 |  | 197,049,652 |  | 17,028,906 |  | 214,078,558 |
| Unit distributions |  | 24,902,568 |  | 449,610 |  | 25,352,178 |
| 2019 at-the-market offering |  | — |  | 1,908,099 |  | 1,908,099 |
| Sale to Brett Icahn | ​ | (202,758) | ​ | 202,758 | ​ | — |
| December 31, 2020 |  | 221,749,462 |  | 19,589,373 |  | 241,338,835 |

105

[Table of Contents](#TOC)

​

*Unit Distributions*

During each of the years ended December 31, 2020, 2019 and 2018, we declared four quarterly distributions. Depositary unitholders were given the option to make an election to receive the distributions in either cash or additional depositary units. If a holder did not make an election, it was automatically deemed to have elected to receive the distributions in cash. In connection with these distributions, during 2020, aggregate cash distributions to all depositary unitholders was $516 million, of which $422 million relates to the distribution declared in the first quarter of 2020. Mr. Icahn and his affiliates have historically elected to receive their distributions in additional units; however, in the first quarter of 2020, they received their distribution in cash. For the distributions declared in the second, third and fourth quarters of 2020, Mr. Icahn and his affiliates elected to receive their distributions in additional units and cash distributions paid to other depositary unitholders was $30 million, $31 million and $33 million, respectively. Mr. Icahn and his affiliates may in the future elect to receive all or a portion of their distributions in cash or in additional depositary units.

*2019 At-The-Market Offering*

On May 2, 2019, Icahn Enterprises announced the commencement of its “at-the-market” offering pursuant to its Open Market Sale Agreement, pursuant to which Icahn Enterprises may sell its depositary units, from time to time, for up to $400 million in aggregate sale proceeds. During the years ended December 31, 2020 and 2019, we received gross proceeds of $101 million and $55 million, respectively, in connection with this offering. As of December 31, 2020, Icahn Enterprises may sell its depositary units for up to an additional $244 million in aggregate sale proceeds pursuant to this agreement. No assurance can be made that any or all amounts will be sold during the term of the program.

*2017 Incentive Plan*

During the years ended December 31, 2020, 2019 and 2018, Icahn Enterprises distributed depositary units, net of payroll withholdings, with respect to certain restricted depositary units and deferred unit awards that vested during the respective periods in connection with the Icahn Enterprises L.P. 2017 Long Term Incentive Plan (the “2017 Incentive Plan”). The aggregate impact of the 2017 Incentive Plan is not material with respect to our consolidated financial statements, including the calculation of potentially dilutive units and diluted income per LP unit.

**13. Segment and Geographic Reporting**

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

106

[Table of Contents](#TOC)

**Condensed Statements of Operations**

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

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31, 2020** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ |  | **Investment** | |  | **Energy** | |  | **Automotive** | |  | **Food Packaging** | |  | **Metals** | |  | **Real Estate** | |  | **Home Fashion** | |  | **Pharma** | |  | **Mining** | |  | **Railcar** | |  | **Holding Company** | |  | **Consolidated** | |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revenues: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net sales | ​ | $ | — | ​ | $ | 3,930 | ​ | $ | 1,929 | ​ | $ | 409 | ​ | $ | 313 | ​ | $ | 43 | ​ | $ | 188 | ​ | $ | 3 | ​ | $ | — | ​ | ​ | — | ​ | $ | — | ​ | $ | 6,815 |
| Other revenues from operations |  | ​ | — |  | ​ | — |  | ​ | 549 |  | ​ | — |  | ​ | — |  | ​ | 59 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 608 |
| Net (loss) gain from investment activities |  | ​ | (1,368) |  | ​ | 34 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (87) |  | ​ | (1,421) |
| Interest and dividend income |  | ​ | 136 |  | ​ | 10 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 1 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 22 |  | ​ | 169 |
| (Loss) gain on disposition of assets, net |  | ​ | — |  | ​ | (7) |  | ​ | (6) |  | ​ | — |  | ​ | 1 |  | ​ | (5) |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (17) |
| Other (loss) income, net |  | ​ | (17) |  | ​ | (1) |  | ​ | (7) |  | ​ | (6) |  | ​ | 3 |  | ​ | — |  | ​ | 2 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (5) |  | ​ | (31) |
| ​ |  | ​ | (1,249) |  | ​ | 3,966 |  | ​ | 2,465 |  | ​ | 403 |  | ​ | 317 |  | ​ | 98 |  | ​ | 190 |  | ​ | 3 |  | ​ | — |  | ​ | — |  | ​ | (70) |  | ​ | 6,123 |
| Expenses: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Cost of goods sold |  | ​ | — |  | ​ | 4,164 |  | ​ | 1,344 |  | ​ | 327 |  | ​ | 298 |  | ​ | 35 |  | ​ | 150 |  | ​ | 2 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 6,320 |
| Other expenses from operations |  | ​ | — |  | ​ | — |  | ​ | 449 |  | ​ | — |  | ​ | — |  | ​ | 38 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 487 |
| Selling, general and administrative |  | ​ | 2 |  | ​ | 116 |  | ​ | 904 |  | ​ | 52 |  | ​ | 16 |  | ​ | 34 |  | ​ | 43 |  | ​ | 2 |  | ​ | — |  | ​ | — |  | ​ | 22 |  | ​ | 1,191 |
| Restructuring, net |  | ​ | — |  | ​ | — |  | ​ | 8 |  | ​ | 1 |  | ​ | 1 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 10 |
| Impairment | ​ | ​ | — | ​ | ​ | — | ​ | ​ | — | ​ | ​ | — | ​ | ​ | 1 | ​ | ​ | 7 | ​ | ​ | 3 | ​ | ​ | — | ​ | ​ | — | ​ | ​ | ​ | ​ | ​ | — | ​ | ​ | 11 |
| Interest expense |  | ​ | 196 |  | ​ | 125 |  | ​ | 12 |  | ​ | 11 |  | ​ | 1 |  | ​ | — |  | ​ | 1 |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | 342 |  | ​ | 688 |
| ​ |  | ​ | 198 |  | ​ | 4,405 |  | ​ | 2,717 |  | ​ | 391 |  | ​ | 317 |  | ​ | 114 |  | ​ | 197 |  | ​ | 4 |  | ​ | — |  | ​ | — |  | ​ | 364 |  | ​ | 8,707 |
| (Loss) income from continuing operations before income tax benefit (expense) |  | ​ | (1,447) |  | ​ | (439) |  | ​ | (252) |  | ​ | 12 |  | ​ | — |  | ​ | (16) |  | ​ | (7) |  | ​ | (1) |  | ​ | — |  | ​ | — |  | ​ | (434) |  | ​ | (2,584) |
| Income tax benefit (expense) |  | ​ | — |  | ​ | 112 |  | ​ | 54 |  | ​ | (8) |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (42) |  | ​ | 116 |
| Net (loss) income from continuing operations |  | ​ | (1,447) |  | ​ | (327) |  | ​ | (198) |  | ​ | 4 |  | ​ | — |  | ​ | (16) |  | ​ | (7) |  | ​ | (1) |  | ​ | — |  | ​ | — |  | ​ | (476) |  | ​ | (2,468) |
| Less: net (loss) income from continuing operations attributable to non-controlling interests |  | ​ | (682) |  | ​ | (133) |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | — |  | ​ | (815) |
| Net (loss) income from continuing operations attributable to Icahn Enterprises | ​ | $ | (765) | ​ | $ | (194) | ​ | $ | (198) | ​ | $ | 4 | ​ | $ | — | ​ | $ | (16) | ​ | $ | (7) | ​ | $ | (1) | ​ | $ | — | ​ | $ | — | ​ | $ | (476) | ​ | $ | (1,653) |
| Supplemental information: | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Capital expenditures | ​ | $ | — | ​ | $ | 124 | ​ | $ | 35 | ​ | $ | 19 | ​ | $ | 3 | ​ | $ | 11 | ​ | $ | 5 | ​ | $ | — | ​ | $ | — | ​ | $ | — | ​ | $ | 2 | ​ | $ | 199 |
| Depreciation and amortization | ​ | $ | — | ​ | $ | 343 | ​ | $ | 95 | ​ | $ | 27 | ​ | $ | 18 | ​ | $ | 17 | ​ | $ | 8 | ​ | $ | 2 | ​ | $ | — | ​ | $ | — | ​ | $ | — | ​ | $ | 510 |

​

107

[Table of Contents](#TOC)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31, 2019** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ |  | **Investment** | |  | **Energy** | |  | **Automotive** | |  | **Food Packaging** | |  | **Metals** | |  | **Real Estate** | |  | **Home Fashion** | |  | **Pharma** | |  | **Mining** | |  | **Railcar** | |  | **Holding Company** | |  | **Consolidated** | |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |  | ​ | ​ |
| Revenues: |  |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ |  |  | ​ |
| Net sales | ​ | $ | — | ​ | $ | 6,364 | ​ | $ | 2,293 | ​ | $ | 385 | ​ | $ | 340 | ​ | $ | 23 | ​ | $ | 187 | ​ | $ | — | ​ | $ | 130 | ​ | $ | — | ​ | $ | — | ​ | $ | 9,722 |
| Other revenues from operations | ​ |  | — | ​ |  | — | ​ |  | 591 | ​ |  | — | ​ |  | — | ​ |  | 75 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 666 |
| Net loss from investment activities | ​ |  | (1,599) | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | (332) | ​ |  | (1,931) |
| Interest and dividend income | ​ |  | 190 | ​ |  | 4 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | 69 | ​ |  | 265 |
| Gain (loss) on disposition of assets, net | ​ |  | — | ​ |  | 4 | ​ |  | (4) | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 252 | ​ |  | — | ​ |  | — | ​ |  | 253 |
| Other (loss) income, net | ​ |  | (5) | ​ |  | 13 | ​ |  | 15 | ​ |  | (8) | ​ |  | — | ​ |  | 4 | ​ |  | (1) | ​ |  | — | ​ |  | (1) | ​ |  | — | ​ |  | 2 | ​ |  | 19 |
| ​ | ​ |  | (1,414) | ​ |  | 6,385 | ​ |  | 2,895 | ​ |  | 377 | ​ |  | 341 | ​ |  | 103 | ​ |  | 186 | ​ |  | — | ​ |  | 382 | ​ |  | — | ​ |  | (261) | ​ |  | 8,994 |
| Expenses: | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  | ​ |
| Cost of goods sold | ​ |  | — | ​ |  | 5,707 | ​ |  | 1,615 | ​ |  | 312 | ​ |  | 343 | ​ |  | 18 | ​ |  | 159 | ​ |  | — | ​ |  | 51 | ​ |  | — | ​ |  | — | ​ |  | 8,205 |
| Other expenses from operations | ​ |  | — | ​ |  | — | ​ |  | 474 | ​ |  | — | ​ |  | — | ​ |  | 54 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 528 |
| Selling, general and administrative | ​ |  | 23 | ​ |  | 146 | ​ |  | 1,032 | ​ |  | 55 | ​ |  | 15 | ​ |  | 21 | ​ |  | 42 | ​ |  | — | ​ |  | 15 | ​ |  | — | ​ |  | 26 | ​ |  | 1,375 |
| Restructuring, net | ​ |  | — | ​ |  | — | ​ |  | 6 | ​ |  | 8 | ​ |  | 3 | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 18 |
| Impairment | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 1 | ​ |  | 1 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 2 |
| Interest expense | ​ |  | 106 | ​ |  | 106 | ​ |  | 20 | ​ |  | 17 | ​ |  | 1 | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | 4 | ​ |  | — | ​ |  | 350 | ​ |  | 605 |
| ​ | ​ |  | 129 | ​ |  | 5,959 | ​ |  | 3,147 | ​ |  | 393 | ​ |  | 363 | ​ |  | 93 | ​ |  | 203 | ​ |  | — | ​ |  | 70 | ​ |  | — | ​ |  | 376 | ​ |  | 10,733 |
| (Loss) income from continuing operations before income tax (expense) benefit | ​ |  | (1,543) |  | ​ | 426 | ​ | ​ | (252) |  | ​ | (16) |  | ​ | (22) |  | ​ | 10 |  | ​ | (17) |  | ​ | — |  | ​ | 312 |  | ​ | — |  | ​ | (637) |  | ​ | (1,739) |
| Income tax (expense) benefit | ​ |  | — | ​ |  | (112) | ​ |  | 55 | ​ |  | (6) | ​ |  | — | ​ |  | 6 | ​ |  | — | ​ |  | — | ​ |  | (1) | ​ |  | — | ​ |  | 38 | ​ |  | (20) |
| Net (loss) income from continuing operations | ​ |  | (1,543) |  | ​ | 314 |  | ​ | (197) |  | ​ | (22) |  | ​ | (22) |  | ​ | 16 |  | ​ | (17) |  | ​ | — |  | ​ | 311 |  | ​ | — |  | ​ | (599) |  | ​ | (1,759) |
| Less: net (loss) income from continuing operations attributable to non-controlling interests | ​ |  | (768) | ​ |  | 68 | ​ |  | — | ​ |  | (5) | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 12 | ​ |  | — | ​ |  | — | ​ |  | (693) |
| Net (loss) income from continuing operations attributable to Icahn Enterprises | ​ | $ | (775) | ​ | $ | 246 | ​ | $ | (197) | ​ | $ | (17) | ​ | $ | (22) | ​ | $ | 16 | ​ | $ | (17) | ​ | $ | — | ​ | $ | 299 | ​ | $ | — | ​ | $ | (599) | ​ | $ | (1,066) |
| Supplemental information: | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  | ​ |
| Capital expenditures | ​ | $ | — | ​ | $ | 121 | ​ | $ | 47 | ​ | $ | 17 | ​ | $ | 24 | ​ | $ | 22 | ​ | $ | 5 | ​ | $ | — | ​ | $ | 14 | ​ | $ | — | ​ | $ | — | ​ | $ | 250 |
| Depreciation and amortization | ​ | $ | — | ​ | $ | 352 | ​ | $ | 98 | ​ | $ | 26 | ​ | $ | 19 | ​ | $ | 17 | ​ | $ | 7 | ​ | $ | — | ​ | $ | — | ​ | $ | — | ​ | $ | — | ​ | $ | 519 |

​

​

​

108

[Table of Contents](#TOC)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31, 2018** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ |  | **Investment** | |  | **Energy** | |  | **Automotive** | |  | **Food Packaging** | |  | **Metals** | |  | **Real Estate** | |  | **Home Fashion** | |  | **Pharma** | |  | **Mining** | |  | **Railcar** | |  | **Holding Company** | |  | **Consolidated** | |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ​ | ​ | ​ |
| Revenues: |  |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ |  |  | ​ |
| Net sales | ​ | $ | — | ​ | $ | 7,124 | ​ | $ | 2,295 | ​ | $ | 395 | ​ | $ | 466 | ​ | $ | 22 | ​ | $ | 171 | ​ | $ | — | ​ | $ | 103 | ​ | $ | — | ​ | $ | — | ​ | $ | 10,576 |
| Other revenues from operations | ​ |  | — | ​ |  | — | ​ |  | 563 | ​ |  | — | ​ |  | — | ​ |  | 84 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 647 |
| Net income (loss) from investment activities | ​ |  | 635 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | (313) | ​ |  | 322 |
| Interest and dividend income | ​ |  | 104 | ​ |  | 2 | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | 16 | ​ |  | — | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | 24 | ​ |  | 148 |
| (Loss) gain on disposition of assets, net | ​ |  | — | ​ |  | (6) | ​ |  | (1) | ​ |  | — | ​ |  | — | ​ |  | 89 | ​ |  | — | ​ |  | — | ​ |  | (3) | ​ |  | 5 | ​ |  | — | ​ |  | 84 |
| Other (loss) income, net | ​ |  | (2) | ​ |  | 15 | ​ |  | (1) | ​ |  | (17) | ​ |  | 1 | ​ |  | 1 | ​ |  | — | ​ |  | — | ​ |  | 5 | ​ |  | — | ​ |  | (2) | ​ |  | — |
| ​ | ​ |  | 737 | ​ |  | 7,135 | ​ |  | 2,856 | ​ |  | 379 | ​ |  | 467 | ​ |  | 212 | ​ |  | 171 | ​ |  | — | ​ |  | 106 | ​ |  | 5 | ​ |  | (291) | ​ |  | 11,777 |
| Expenses: | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  | ​ |
| Cost of goods sold | ​ |  | — | ​ |  | 6,508 | ​ |  | 1,493 | ​ |  | 316 | ​ |  | 441 | ​ |  | 18 | ​ |  | 144 | ​ |  | — | ​ |  | 73 | ​ |  | — | ​ |  | — | ​ |  | 8,993 |
| Other expenses from operations | ​ |  | — | ​ |  | — | ​ |  | 483 | ​ |  | — | ​ |  | — | ​ |  | 54 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | 538 |
| Selling, general and administrative | ​ |  | 12 | ​ |  | 138 | ​ |  | 1,051 | ​ |  | 57 | ​ |  | 19 | ​ |  | 22 | ​ |  | 34 | ​ |  | — | ​ |  | 27 | ​ |  | 1 | ​ |  | 25 | ​ |  | 1,386 |
| Restructuring, net | ​ |  | — | ​ |  | 5 | ​ |  | 5 | ​ |  | 9 | ​ |  | — | ​ |  | — | ​ |  | 2 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 21 |
| Impairment | ​ |  | — | ​ |  | — | ​ |  | 90 | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | 1 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 92 |
| Interest expense | ​ |  | 46 | ​ |  | 104 | ​ |  | 16 | ​ |  | 16 | ​ |  | — | ​ |  | 1 | ​ |  | 1 | ​ |  | — | ​ |  | 3 | ​ |  | — | ​ |  | 337 | ​ |  | 524 |
| ​ | ​ |  | 58 | ​ |  | 6,755 | ​ |  | 3,138 | ​ |  | 398 | ​ |  | 461 | ​ |  | 95 | ​ |  | 182 | ​ |  | — | ​ |  | 103 | ​ |  | 2 | ​ |  | 362 | ​ |  | 11,554 |
| Income (loss) from continuing operations before income tax (expense) benefit | ​ |  | 679 |  | ​ | 380 | ​ | ​ | (282) |  | ​ | (19) |  | ​ | 6 |  | ​ | 117 |  | ​ | (11) |  | ​ | — |  | ​ | 3 |  | ​ | 3 |  | ​ | (653) |  | ​ | 223 |
| Income tax (expense) benefit | ​ |  | — | ​ |  | (46) | ​ |  | 52 | ​ |  | 4 | ​ |  | (1) | ​ |  | (5) | ​ |  | — | ​ |  | — | ​ |  | (2) | ​ |  | (2) | ​ |  | 14 | ​ |  | 14 |
| Net income (loss) from continuing operations | ​ |  | 679 |  | ​ | 334 |  | ​ | (230) |  | ​ | (15) |  | ​ | 5 |  | ​ | 112 |  | ​ | (11) |  | ​ | — |  | ​ | 1 |  | ​ | 1 |  | ​ | (639) |  | ​ | 237 |
| Less: net income (loss) from continuing operations attributable to non-controlling interests | ​ |  | 360 | ​ |  | 121 | ​ |  | — | ​ |  | (3) | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | (2) | ​ |  | — | ​ |  | (1) | ​ |  | 475 |
| Net income (loss) from continuing operations attributable to Icahn Enterprises | ​ | $ | 319 | ​ | $ | 213 | ​ | $ | (230) | ​ | $ | (12) | ​ | $ | 5 | ​ | $ | 112 | ​ | $ | (11) | ​ | $ | — | ​ | $ | 3 | ​ | $ | 1 | ​ | $ | (638) | ​ | $ | (238) |
| Supplemental information: | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  | ​ |
| Capital expenditures | ​ | $ | — | ​ | $ | 102 | ​ | $ | 66 | ​ | $ | 25 | ​ | $ | 21 | ​ | $ | 13 | ​ | $ | 5 | ​ | $ | — | ​ | $ | 40 | ​ | $ | — | ​ | $ | — | ​ | $ | 272 |
| Depreciation and amortization | ​ | $ | — | ​ | $ | 339 | ​ | $ | 92 | ​ | $ | 26 | ​ | $ | 18 | ​ | $ | 19 | ​ | $ | 8 | ​ | $ | — | ​ | $ | 6 | ​ | $ | — | ​ | $ | — | ​ | $ | 508 |

​

**​**

109

[Table of Contents](#TOC)

**Disaggregation of Revenue**

In addition to the condensed statements of operations by reporting segment above, we provide additional disaggregated revenue information for certain reportable segments below.

***Energy***

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

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Petroleum products | ​ | $ | 3,580 | ​ | $ | 5,960 | ​ | $ | 6,773 |
| Nitrogen fertilizer products | ​ |  | 350 | ​ |  | 404 | ​ |  | 351 |
| ​ | ​ | $ | 3,930 | ​ | $ | 6,364 | ​ | $ | 7,124 |

​

***Automotive***

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

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Automotive services | ​ | $ | 1,228 | ​ | $ | 1,373 |  | $ | 1,321 |
| Aftermarket parts sales | ​ |  | 1,250 | ​ |  | 1,511 | ​ |  | 1,537 |
| ​ | ​ | $ | 2,478 | ​ | $ | 2,884 | ​ | $ | 2,858 |

​

110

[Table of Contents](#TOC)

**Condensed Balance Sheets**

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

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31, 2020** | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | ​ | **Investment** | | ​ | **Energy** | | ​ | **Automotive** | | ​ | **Food  Packaging** | | ​ | **Metals** | | ​ | **Real  Estate** | | ​ | **Home  Fashion** | |  | **Pharma** | | ​ | **Holding  Company** | | ​ | **Consolidated** | |
|  | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **ASSETS** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Cash and cash equivalents | ​ | $ | 14 | ​ | $ | 667 | ​ | $ | 45 | ​ | $ | 16 | ​ | $ | 1 | ​ | $ | 21 | ​ | $ | 2 | ​ | $ | 8 | ​ | $ | 925 | ​ | $ | 1,699 |
| Cash held at consolidated affiliated partnerships and restricted cash | ​ |  | 1,558 | ​ |  | 7 | ​ |  | — | ​ |  | — | ​ |  | 2 | ​ |  | 8 | ​ |  | 6 | ​ |  | — | ​ |  | 11 | ​ |  | 1,592 |
| Investments | ​ |  | 8,239 | ​ |  | 253 | ​ |  | 40 | ​ |  | — | ​ |  | — | ​ |  | 15 | ​ |  | — | ​ |  | — | ​ |  | 366 | ​ |  | 8,913 |
| Accounts receivable, net | ​ |  | — | ​ |  | 178 | ​ |  | 109 | ​ |  | 88 | ​ |  | 64 | ​ |  | 10 | ​ |  | 33 | ​ |  | 20 | ​ |  | — | ​ |  | 502 |
| Inventories, net | ​ |  | — | ​ |  | 298 | ​ |  | 1,080 | ​ |  | 89 | ​ |  | 22 | ​ |  | — | ​ |  | 81 | ​ |  | 10 | ​ |  | — | ​ |  | 1,580 |
| Property, plant and equipment, net | ​ |  | — | ​ |  | 2,747 | ​ |  | 857 | ​ |  | 160 | ​ |  | 82 | ​ |  | 310 | ​ |  | 65 | ​ |  | — | ​ |  | 7 | ​ |  | 4,228 |
| Goodwill and intangible assets, net | ​ |  | — | ​ |  | 238 | ​ |  | 376 | ​ |  | 31 | ​ |  | 9 | ​ |  | 1 | ​ |  | 21 | ​ |  | 282 | ​ |  | — | ​ |  | 958 |
| Other assets | ​ |  | 4,308 | ​ |  | 335 | ​ |  | 582 | ​ |  | 101 | ​ |  | 37 | ​ |  | 121 | ​ |  | 19 | ​ |  | 6 | ​ |  | 6 | ​ |  | 5,515 |
| Total assets | ​ | $ | 14,119 | ​ | $ | 4,723 | ​ | $ | 3,089 | ​ | $ | 485 | ​ | $ | 217 | ​ | $ | 486 | ​ | $ | 227 | ​ | $ | 326 | ​ | $ | 1,315 | ​ | $ | 24,987 |
| **LIABILITIES AND EQUITY** | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  |  | ​ |  | ​ | ​ |  | ​ |
| Accounts payable, accrued expenses and other liabilities | ​ | $ | 2,256 | ​ | $ | 1,189 | ​ | $ | 1,167 | ​ | $ | 181 | ​ | $ | 73 | ​ | $ | 45 | ​ | $ | 65 | ​ | $ | 64 | ​ | $ | 110 | ​ | $ | 5,150 |
| Securities sold, not yet purchased, at fair value | ​ |  | 2,521 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 2,521 |
| Debt | ​ |  | — | ​ |  | 1,691 | ​ |  | 368 | ​ |  | 151 | ​ |  | 16 | ​ |  | 1 | ​ |  | 21 | ​ |  | — | ​ |  | 5,811 | ​ |  | 8,059 |
| Total liabilities | ​ |  | 4,777 | ​ |  | 2,880 | ​ |  | 1,535 | ​ |  | 332 | ​ |  | 89 | ​ |  | 46 | ​ |  | 86 | ​ |  | 64 | ​ |  | 5,921 | ​ |  | 15,730 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Equity attributable to Icahn Enterprises | ​ |  | 4,283 | ​ |  | 1,039 | ​ |  | 1,554 | ​ |  | 141 | ​ |  | 128 | ​ |  | 440 | ​ |  | 141 | ​ |  | 262 | ​ |  | (4,606) | ​ |  | 3,382 |
| Equity attributable to non-controlling interests | ​ |  | 5,059 | ​ |  | 804 | ​ |  | — | ​ |  | 12 | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | — | ​ |  | 5,875 |
| Total equity | ​ |  | 9,342 | ​ |  | 1,843 | ​ |  | 1,554 | ​ |  | 153 | ​ |  | 128 | ​ |  | 440 | ​ |  | 141 | ​ |  | 262 | ​ |  | (4,606) | ​ |  | 9,257 |
| Total liabilities and equity | ​ | $ | 14,119 | ​ | $ | 4,723 | ​ | $ | 3,089 | ​ | $ | 485 | ​ | $ | 217 | ​ | $ | 486 | ​ | $ | 227 | ​ | $ | 326 | ​ | $ | 1,315 | ​ | $ | 24,987 |

​

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

​

111

[Table of Contents](#TOC)

**Geographic Information**

The following table presents our consolidated geographic net sales from external customers, other revenues from operations and property, plant and equipment, net for the periods indicated:

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | **​** | | | | | | | | **​** | **Property, Plant and** | | | | |
| ​ | ​ | **Net Sales** | | | | | | | | **​** | **Other Revenues From Operations** | | | | | | | | **​** | **Equipment, Net** | | | | |
| ​ | ​ | **Year Ended December 31,** | | | | | | | | ​ | **Year Ended December 31,** | | | | | | | | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |  | **2020** | |  | **2019** | |  | **2018** | |  | **2020** | |  | **2019** | |
|  | | | | | | | | | | | | | | | | | | | | | | | | |
| ​ | (in millions) | | | | | | | | | | | | | | | | | | | | | | | |
| United States | ​ | $ | 6,462 | ​ | $ | 9,271 | ​ | $ | 10,170 | ​ | $ | 604 | ​ | $ | 652 | ​ | $ | 629 | ​ | $ | 4,082 | ​ | $ | 4,299 |
| International | ​ |  | 353 | ​ |  | 451 | ​ |  | 406 | ​ |  | 4 | ​ |  | 14 | ​ |  | 18 | ​ |  | 146 | ​ |  | 155 |
| ​ | ​ | $ | 6,815 | ​ | $ | 9,722 | ​ | $ | 10,576 | ​ | $ | 608 | ​ | $ | 666 | ​ | $ | 647 | ​ | $ | 4,228 | ​ | $ | 4,454 |

​

Geographic locations for net sales and other revenues from operations are based on locations of the customers and geographic locations for property, plant, and equipment are based on the locations of the assets.

**14. Discontinued Operations**

Income from discontinued operations is summarized as follows:

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31, 2018** | | | | | | | | | | |
| ​ |  | **Automotive** | |  | **Gaming** | |  | **Railcar** | |  | **Total** | |
|  | | | | | | | | | | | | |
| Revenues: | ​ | ​ | | | | | | | | | | |
| Net sales | ​ | $ | 5,993 | ​ | $ | — | ​ | $ | 228 | ​ | $ | 6,221 |
| Other revenues from operations | ​ |  | — | ​ |  | 679 | ​ |  | 213 | ​ |  | 892 |
| Interest and dividend income | ​ |  | 2 | ​ |  | 1 | ​ |  | 2 | ​ |  | 5 |
| Gain on disposition of assets, net | ​ |  | 65 | ​ |  | — | ​ |  | — | ​ |  | 65 |
| Other income, net | ​ |  | 5 | ​ |  | 1 | ​ |  | 13 | ​ |  | 19 |
| ​ | ​ |  | 6,065 | ​ |  | 681 | ​ |  | 456 | ​ |  | 7,202 |
| Expenses: | ​ |  |  | ​ |  |  | ​ |  |  | ​ |  |  |
| Cost of goods sold | ​ |  | 4,999 | ​ |  | — | ​ |  | 215 | ​ |  | 5,214 |
| Other expenses from operations | ​ |  | — | ​ |  | 311 | ​ |  | 114 | ​ |  | 425 |
| Selling, general and administrative | ​ |  | 601 | ​ |  | 238 | ​ |  | 40 | ​ |  | 879 |
| Restructuring, net | ​ |  | 13 | ​ |  | — | ​ |  | — | ​ |  | 13 |
| Impairment | ​ |  | 2 | ​ |  | — | ​ |  | 4 | ​ |  | 6 |
| Interest expense | ​ |  | 137 | ​ |  | 4 | ​ |  | 19 | ​ |  | 160 |
| ​ | ​ |  | 5,752 | ​ |  | 553 | ​ |  | 392 | ​ |  | 6,697 |
| Income from discontinued operations before gain on sale and income tax expense | ​ |  | 313 | ​ |  | 128 | ​ |  | 64 | ​ |  | 505 |
| Gain on sale of discontinued operations | ​ |  | 251 | ​ |  | 779 | ​ |  | 400 | ​ |  | 1,430 |
| Income from discontinued operations before income tax expense | ​ |  | 564 | ​ |  | 907 | ​ |  | 464 | ​ |  | 1,935 |
| Income tax expense | ​ |  | (69) | ​ |  | (89) | ​ |  | (13) | ​ |  | (171) |
| Income from discontinued operations | ​ |  | 495 | ​ |  | 818 | ​ |  | 451 | ​ |  | 1,764 |
| Less: income from discontinued operations attributable to non-controlling interests | ​ |  | 7 | ​ |  | 17 | ​ |  | 20 | ​ |  | 44 |
| Income from discontinued operations attributable to Icahn Enterprises | ​ | $ | 488 | ​ | $ | 801 | ​ | $ | 431 | ​ | $ | 1,720 |
| Supplemental information: | ​ |  |  | ​ |  |  | ​ |  | ​ | ​ |  |  |
| Capital expenditures | ​ | $ | 303 | ​ | $ | 58 | ​ | $ | 125 | ​ | $ | 486 |
| Depreciation and amortization | ​ | $ | 100 | ​ | $ | 19 | ​ | $ | 47 | ​ | $ | 166 |

​

​

​

112

[Table of Contents](#TOC)

**15. Income Taxes**

The difference between the book basis and the tax basis of our net assets, not directly subject to income taxes, is as follows:

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Icahn Enterprises** | | | | | ​ | **Icahn Enterprises Holdings** | | | | |
| ​ | ​ | **December 31,** | | | | | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2020** | |  | **2019** | |
|  | | | | | | | | | | | | |
| ​ |  | ​ | (in millions) | | | |  | ​ | (in millions) | | | |
| Book basis of net assets | ​ | $ | 3,382 | ​ | $ | 5,456 | ​ | $ | 3,380 | ​ | $ | 5,453 |
| Book/tax basis difference | ​ |  | (774) | ​ |  | (1,397) | ​ |  | (774) | ​ |  | (1,397) |
| Tax basis of net assets | ​ | $ | 2,608 | ​ | $ | 4,059 | ​ | $ | 2,606 | ​ | $ | 4,056 |

​

Income (loss) from continuing operations before income tax benefit (expense) is as follows:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Domestic | ​ | $ | (2,586) | ​ | $ | (1,765) | ​ | $ | 235 |
| International | ​ |  | 2 | ​ |  | 26 | ​ |  | (12) |
| ​ | ​ | $ | (2,584) | ​ | $ | (1,739) | ​ | $ | 223 |

​

Income tax benefit (expense) attributable to continuing operations is as follows:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Current: | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  |
| Domestic | ​ | $ | 69 | ​ | $ | (106) | ​ | $ | (11) |
| International | ​ |  | (2) | ​ |  | (3) | ​ |  | (4) |
| Total current | ​ |  | 67 | ​ |  | (109) | ​ |  | (15) |
| Deferred: | ​ |  |  | ​ |  |  | ​ |  |  |
| Domestic | ​ |  | 51 | ​ |  | 87 | ​ |  | 30 |
| International | ​ |  | (2) | ​ |  | 2 | ​ |  | (1) |
| Total deferred | ​ |  | 49 | ​ |  | 89 | ​ |  | 29 |
| ​ | ​ | $ | 116 | ​ | $ | (20) | ​ | $ | 14 |

​

​

113

[Table of Contents](#TOC)

A reconciliation of the income tax benefit (expense) calculated at the federal statutory rate to income tax benefit (expense) on continuing operations as shown in the consolidated statements of operations is as follows:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Income tax benefit (expense) at U.S. statutory rate | ​ | $ | 543 | ​ | $ | 365 | ​ | $ | (47) |
| Tax effect from: | ​ |  |  | ​ |  |  | ​ |  |  |
| Valuation allowance | ​ |  | (243) | ​ |  | (63) | ​ |  | (4) |
| Non-controlling interest | ​ |  | (6) | ​ |  | (4) | ​ |  | 26 |
| Goodwill impairment | ​ |  | — | ​ |  | — | ​ |  | (18) |
| Stock dispositions | ​ |  | — | ​ |  | — | ​ |  | 69 |
| Income not subject to taxation | ​ |  | (287) | ​ |  | (314) | ​ |  | 14 |
| State taxes | ​ |  | 103 | ​ |  | — | ​ |  | — |
| Other | ​ |  | 6 | ​ |  | (4) | ​ |  | (26) |
| Income tax benefit (expense) | ​ | $ | 116 | ​ | $ | (20) | ​ | $ | 14 |

​

The tax effect of significant differences representing deferred tax assets (liabilities) (the difference between financial statement carrying value and the tax basis of assets and liabilities) is as follows:

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Deferred tax assets: |  | ​ |  | ​ | ​ |  |
| Property, plant and equipment | ​ | $ | 17 | ​ | $ | 17 |
| Net operating loss | ​ |  | 996 | ​ |  | 791 |
| Tax credits | ​ |  | 60 | ​ |  | 29 |
| Capital loss | ​ |  | 358 | ​ |  | 155 |
| Leases | ​ |  | 141 | ​ |  | 133 |
| Other | ​ |  | 119 | ​ |  | 71 |
| Total deferred tax assets | ​ |  | 1,691 | ​ |  | 1,196 |
| Less: Valuation allowance | ​ |  | (1,026) | ​ |  | (619) |
| Net deferred tax assets | ​ | $ | 665 | ​ | $ | 577 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Deferred tax liabilities: | ​ |  |  | ​ |  |  |
| Property, plant and equipment | ​ | $ | (121) | ​ | $ | (125) |
| Intangible assets | ​ |  | (84) | ​ |  | (37) |
| Investment in partnerships | ​ |  | (657) | ​ |  | (652) |
| Investment in U.S. subsidiaries | ​ |  | (184) | ​ |  | (184) |
| Leases | ​ |  | (135) | ​ |  | (125) |
| Other | ​ |  | (46) | ​ |  | (61) |
| Total deferred tax liabilities | ​ |  | (1,227) | ​ |  | (1,184) |
| ​ | ​ | $ | (562) | ​ | $ | (607) |

​

We recorded deferred tax assets and deferred tax liabilities of $7 million and $569 million, respectively, as of December 31, 2020 and $32 million and $639 million, respectively, as of December 31, 2019. Deferred tax assets are included in other assets in our consolidated balance sheets.

We analyze all positive and negative evidence to consider whether it is more likely than not that all of the deferred tax assets will be realized. Projected future income, tax planning strategies and the expected reversal of deferred tax liabilities are considered in making this assessment. As of December 31, 2020 we had a valuation allowance of approximately $1,026 million primarily related to tax loss and credit carryforwards and other deferred tax assets. The current and future provisions for income taxes may be significantly impacted by changes to valuation allowances. These

114

[Table of Contents](#TOC)

allowances will be maintained until it is more likely than not that the deferred tax assets will be realized. For the year ended December 31, 2020, the valuation allowance on deferred tax assets increased by $407 million. The increase was primarily attributable to capital loss and state net operating loss carryforwards and the acquisition of Vivus, which has a full valuation allowance on its deferred tax assets.

On December 11, 2020, we acquired all of the outstanding stock of Vivus upon its emergence from bankruptcy. As of December 31, 2020, Vivus had an estimated federal net operating loss carryforward of approximately $656 million and federal and state tax credits of approximately $17 million.

At December 31, 2020, American Entertainment Properties Corp. (“AEPC”), a wholly-owned corporate subsidiary of Icahn Enterprises and Icahn Enterprises Holdings, which includes all or parts of our Automotive, Food Packaging, Metals, Home Fashion and Real Estate segments had U.S federal net operating loss carryforwards of approximately $2.1 billion with expiration dates from 2024 through 2037. Additionally, AEPC and its corporate subsidiaries had foreign net operating loss carryforwards of $29 million with an unlimited carryforward period and $11 million with a 5-year carryforward period.

At December 31, 2020, CVR Energy had state income tax credits of $30 million, which are available to reduce future state income taxes. These credits can be carried forward indefinitely.

On October 9, 2020, Viskase completed an equity private placement whereby AEPC ownership increased from approximately 79% to 89%. As a result of greater than 80% ownership, Viskase became a member of the consolidated federal tax group of AEPC and party to a tax allocation agreement with AEPC. The tax allocation agreement provides, among other things, that AEPC will pay all consolidated federal income taxes on behalf of the consolidated tax group and Viskase is required to make payments to AEPC in an amount equal to the tax liability, if any, that it would have paid if it were to file a separate company return.

On August 1, 2018, CVR Energy completed an exchange offer whereby CVR Refining’s public unitholders tendered a total of 21,625,106 common units of CVR Refining in exchange for 13,699,549 shares of CVR Energy common stock. As a result of the exchange offer, AEPC owned less than 80% of the common stock of CVR Energy and CVR Energy deconsolidated from the AEPC consolidated federal income tax group. Beginning with the tax period after the exchange, CVR Energy became the parent of a new consolidated group for U.S. federal income tax purposes and will file and pay its federal income tax obligations directly to the Internal Revenue Service (“IRS”).

As of December 31, 2020, we have not provided taxes on approximately $66 million of undistributed earnings in foreign subsidiaries which are deemed to be indefinitely reinvested. If at some future date these earnings cease to be permanently reinvested, we may be subject to foreign income and withholding taxes upon repatriation of such amounts. An estimate of the tax liability that would be incurred upon repatriation of foreign earnings is not practicable to determine.

***Enactment of U.S. Tax Legislation***

In January 2018, the FASB released guidance on the accounting for tax on the global intangible low-taxed income (“GILTI”) provisions of The Tax Legislation. The GILTI provisions impose a tax on foreign income in excess of a deemed return on tangible assets of foreign corporations. We report additional tax from the GILTI inclusion as incurred and currently estimate additional tax due in 2020 of less than $1 million.

Under the Tax Legislation, an entity must pay a Base Erosion Anti-Abuse Tax (“BEAT”) if the BEAT is greater than its regular tax liability. We currently estimate no additional tax due in 2020 pursuant to the BEAT provisions.

115

[Table of Contents](#TOC)

***Accounting for Uncertainty in Income Taxes***

A summary of the changes in the gross amounts of unrecognized tax benefits for the years ended December 31, 2020, 2019 and 2018 are as follows:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Balance at January 1 | ​ | $ | 33 | ​ | $ | 34 | ​ | $ | 34 |
| Addition based on tax positions related to the current year | ​ |  | 1 | ​ |  | 2 | ​ |  | — |
| Increase for tax positions of prior years | ​ |  | 6 | ​ |  | — | ​ |  | 6 |
| Decrease for tax positions of prior years | ​ |  | (2) | ​ |  | — | ​ |  | — |
| Decrease for statute of limitation expiration | ​ |  | (3) | ​ |  | (3) | ​ |  | (6) |
| Balance at December 31 | ​ | $ | 35 | ​ | $ | 33 | ​ | $ | 34 |

​

At December 31, 2020, 2019 and 2018, we had unrecognized tax benefits of $35 million, $33 million and $34 million, respectively. Of these totals, $31 million, $27 million and $30 million represent the amount of unrecognized tax benefits that if recognized, would affect the annual effective tax rate in the respective periods. The total unrecognized tax benefits differ from the amount which would affect the effective tax rate primarily due to the impact of valuation allowances.

During the next 12 months, we believe that it is reasonably possible that unrecognized tax benefits may decrease by approximately $2 million due to statute expirations.

We recognize interest and penalties accrued related to unrecognized tax benefits as a component of income tax expense. We recorded $3 million, $1 million and $1 million as of December 31, 2020, 2019 and 2018, respectively, in liabilities for tax related net interest and penalties in our consolidated balance sheets. Income tax expense (benefit) related to interest and penalties were $2 million, $0 million and $(1) million for the years December 31, 2020, 2019 and 2018, respectively. We or certain of our subsidiaries file income tax returns in the U.S. federal jurisdiction, various state jurisdictions and various non-U.S. jurisdictions. We and our subsidiaries are no longer subject to U.S. federal tax examinations for years before 2016 or state and local examinations for years before 2014, with limited exceptions. The AEPC group’s income tax returns are currently under examination by the IRS for the years ended December 31, 2018 and 2017.  As of December 31, 2020, AEPC has not been notified of any issues pursuant to the examination.

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

Changes in accumulated other comprehensive loss consists of the following:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Translation** | | ​ | **Post-Retirement** | | ​ | **​** | **​** |
| ​ | ​ | **Adjustments, Net** | | ​ | **Benefits and** | | ​ | **​** | **​** |
| ​ |  | **of Tax** | |  | **Other, Net of Tax** | |  | **Total** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Balance, December 31, 2019 | ​ | $ | (38) | ​ | $ | (44) | ​ | $ | (82) |
| Other comprehensive income (loss) before reclassifications, net of tax | ​ |  | 4 | ​ |  | (6) | ​ |  | (2) |
| Reclassifications from accumulated other comprehensive loss to earnings, net of tax | ​ |  | — | ​ |  | 1 | ​ |  | 1 |
| Other comprehensive income (loss), net of tax | ​ |  | 4 | ​ |  | (5) | ​ |  | (1) |
| Balance, December 31, 2020 | ​ | $ | (34) | ​ | $ | (49) | ​ | $ | (83) |

​

​

116

[Table of Contents](#TOC)

**17. Other Income, Net**

Other income, net consists of the following:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Dividend expense | ​ | $ | (17) | ​ | $ | (5) | ​ | $ | (2) |
| Equity earnings from non-consolidated affiliates | ​ | ​ | 2 | ​ | ​ | 21 | ​ | ​ | 7 |
| Foreign currency transaction loss | ​ |  | (5) | ​ |  | (5) | ​ |  | (1) |
| Non-service pension and other post-retirement benefits expense | ​ |  | (1) | ​ |  | (3) | ​ |  | (8) |
| (Loss) gain on extinguishment of debt | ​ |  | (12) | ​ |  | 2 | ​ |  | — |
| Other | ​ |  | 2 | ​ |  | 9 | ​ |  | 4 |
| ​ | ​ | $ | (31) | ​ | $ | 19 | ​ | $ | — |

​

​

**18. Commitments and Contingencies**

***Environmental Matters***

Due to the nature of our business, certain of our subsidiaries’ operations are subject to numerous existing and proposed laws and governmental regulations designed to protect the environment, particularly regarding plant wastes and emissions and solid waste disposal. Our consolidated environmental liabilities on an undiscounted basis were $37 million and $34 million as of December 31, 2020 and 2019, respectively, primarily within our Energy and Metals segments and which are included in accrued expenses and other liabilities in our consolidated balance sheets. We do not believe that environmental matters will have a material adverse impact on our consolidated results of operations and financial condition.

*Energy*

On August 21, 2018, CVR Refining received a letter from the United States Department of Justice (the “DOJ”) on behalf of the Environmental Protection Agency (the “EPA”) and the Kansas Department of Health and Environment (“KDHE”) alleging violations of the Clean Air Act and a 2012 Consent Decree (“CD”) between CVR Refining, the United States (on behalf of the EPA) and KDHE at CVR Energy’s Coffeyville refinery. In June 2020, a tolling agreement between the parties relating to such allegations expired, and the United States and KDHE sent demand letters relating to the allegations (the “Stipulated Claims”) and seeking stipulated penalties. In February 2021, the DOJ and KDHE sent CVR Refining a statement of position under the CD regarding its demand for Stipulated Claims. As CVR Refining disputes most claims asserted by the government, in accordance with the CD, CVR Refining deposited funds into a commercial escrow account pending resolution of disputed claims. The escrowed funds are legally restricted for use and are included within other assets on the consolidated balance sheets. In December 2020, the DOJ and KDHE filed a supplement complaint in the United States District Court for the District of Kansas asserting nine counts for alleged violations of the Clean Air Act, the Kansas State Implementation Plan and Kansas law (“the Statutory Claims”) and seeking civil penalties, injunctive and related relief. Negotiations relating to the Stipulated Claims and the Statutory Claims are ongoing and CVR Energy cannot at this time determine the outcome of this matter, including whether such outcome, or any subsequent enforcement or litigation relating thereto would have a material impact on our Energy segment’s financial position, results of operations, or cash flows.

As of December 31, 2020 and 2019, our Energy segment had environmental accruals of $11 million and $6 million, respectively, representing estimated costs for future remediation efforts at certain sites.

*Metals*

PSC Metals has been designated as a potentially responsible party (“PRP”) under 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

117

[Table of Contents](#TOC)

operated the sites in question. In addition, one of PSC Metals’ Knoxville, Tennessee locations was the subject of investigations by the State of Tennessee under the federal Superfund law. These investigations were performed by the State of Tennessee pursuant to a contract with the EPA. PSC Metals has entered into Tennessee’s Voluntary Clean-Up Oversight and Assistance Program (“VOAP”) and expects to enter into a settlement with the Tennessee Department of Environment and Conservation (“TDEC”) in the future. Currently, PSC Metals believes that it has adequately reserved for the cost of any potential future remediation associated with its Knoxville location, but cannot fully assess the impact of all costs or liabilities associated with TDEC’s investigations. With respect to all other matters in which PSC Metals has been designated as a PRP under U.S. federal and state superfund laws, 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 other sites to be immaterial as of both December 31, 2020 and 2019. If it is determined that PSC Metals 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 to its operations.

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 its management’s judgment and prior experience. PSC Metals has estimated the liability to remediate these sites to be $25 million and $27 million at December 31, 2020 and 2019, respectively. PSC Metals 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.

***Renewable Fuel Standards***

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

CVR Refining’s expenses for its compliance with RFS were $190 million, $43 million and $60 million for years ended December 31, 2020, 2019 and 2018, respectively, which are included in cost of goods sold in our consolidated statements of operations. CVR Refining’s costs to comply with RFS include the purchased cost of RINs, the impact of recognizing CVR Refining’s uncommitted biofuel blending obligation at fair value based on market prices at each reporting date and the valuation change of RINs purchases in excess of CVR Refining’s RFS obligation as of the reporting date. During the year ended December 31, 2020, the cost to comply with RFS was unfavorably impacted by an increase in CVR Refining’s RFS obligation and increased market pricing. As of December 31, 2020 and 2019, CVR Refining’s biofuel blending obligation was $214 million and $7 million, respectively, which is included in accrued expenses and other liabilities in our consolidated balance sheets.

***Litigation***

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

118

[Table of Contents](#TOC)

*Energy*

In 2019, CVR Energy, CVR Refining and its general partner, CVR Refining Holdings, Icahn Enterprises and certain directors and affiliates were named in at least one of nine lawsuits filed by purported former unitholders of CVR Refining, on behalf of themselves and an alleged class of similarly situated unitholders relating to CVR Energy’s exercise of the call option (“Call Option”) under the CVR Refining Amended and Restated Agreement of Limited Partnership assigned to it by CVR Refining’s general partner (the “Delaware Lawsuits”). The Delaware Lawsuits primarily allege breach of contract, tortious interference and breach of the implied covenant of good faith and fair dealing and seek monetary damages and attorneys’ fees, among other remedies. In January 2020, the court dismissed CVR Holdings and certain former directors of CVR Refining’s general partner from the Delaware Lawsuits, though permitted some or all of the claims to proceed against each remaining defendant. On April 6, 2020, a lawsuit was filed in the United States District Court for the Southern District of New York against the CVR Energy, CVR Refining and its general partner, CVR Refining Holdings, Icahn Enterprises, and CVR Energy’s Chief Executive Officer by purported former unitholders of CVR Refining on behalf of themselves and an alleged class of similarly situated unitholders also relating to CVR Energy’s exercise of the Call Option (the “New York Lawsuit” and together with the Delaware Lawsuits, the “Call Option Lawsuits”). The New York Lawsuit primarily alleges violations of Sections 10(b) and 20(a) of the Exchange Act, and Rule 10b-5 thereunder and seeks monetary damages and attorney’s fees, among other remedies. CVR Energy believes the Call Option Lawsuits are without merit and intends to vigorously defend against them. The Call Option Lawsuits remain in the early stages of litigation, and discovery is currently on-going. Accordingly, CVR Energy cannot determine at this time the outcome of the Call Option Lawsuits, including whether the outcome of this matter would have a material impact on our Energy segment’s financial position, results of operations, or cash flows.

On January 27, 2021, a lawsuit was filed against the defendants in the Call Option Lawsuits in the 434th Judicial District Court of Fort Bend County, Texas by their primary and excess insurers seeking declaratory judgements determining that they owe no indemnity coverage and, for certain defendants, no defense obligations relating to the Call Option Lawsuits (the “Call Option Insurer Case”). The defendants believe the Call Option Insurer Case is without merit, intends to vigorously defend the claims against them and filed a related lawsuit in the Delaware Court of Chancery. These lawsuits are in the early stages of litigation. Accordingly, CVR Energy cannot determine at this time their outcome, including whether such outcome would have a material impact on our Energy Segment’s financial position, results of operations, or cash flows

***Other Matters***

*Pension Obligations*

Mr. Icahn, through certain affiliates, owns 100% of Icahn Enterprises GP and approximately 92% of Icahn Enterprises’ outstanding depositary units as of December 31, 2020. Applicable pension and tax laws make each member of a “controlled group” of entities, generally defined as entities in which there is at least an 80% common ownership interest, jointly and severally liable for certain pension plan obligations of any member of the controlled group. These pension obligations include ongoing contributions to fund the plan, as well as liability for any unfunded liabilities that may exist at the time the plan is terminated. In addition, the failure to pay these pension obligations when due may result in the creation of liens in favor of the pension plan or the Pension Benefit Guaranty Corporation (the “PBGC”) against the assets of each member of the controlled group.

As a result of the more than 80% ownership interest in us by Mr. Icahn’s affiliates, we and our subsidiaries are subject to the pension liabilities of entities in which Mr. Icahn has a direct or indirect ownership interest of at least 80%, which includes the liabilities of pension plans sponsored by Viskase and ACF. All the minimum funding requirements of the Internal Revenue Code, as amended, and the Employee Retirement Income Security Act of 1974, as amended, for the Viskase and ACF plans have been met as of December 31, 2020. If the plans were voluntarily terminated, they would be underfunded by an aggregate of approximately $122 million as of December 31, 2020. These results are based on the most recent information provided by the plans’ actuaries. These liabilities could increase or decrease, depending on a number of factors, including future changes in benefits, investment returns, and the assumptions used to calculate the liability. As members of the controlled group, we would be liable for any failure of Viskase or ACF to make ongoing

119

[Table of Contents](#TOC)

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

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

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

*Other*

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

***Unconditional Purchase Obligations***

Unconditional purchase obligations are primarily within our Energy and Pharma segments. Our Energy segment’s unconditional purchase obligations relate to commitments for petroleum products storage and transportation, electricity supply agreements, product supply agreements, commitments related to CVR Energy’s biofuel blending obligation and various agreements for gas and gas transportation. Our Pharma segment’s unconditional purchase obligations relate to agreements to purchase goods or services from suppliers for the manufacture of its products. The minimum required payments for our Energy and Pharma segments’ unconditional purchase obligations are as follows:

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **Year** |  | **Energy** | | ​ | **Pharma** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| 2021 | ​ | $ | 127 | ​ | $ | 27 |
| 2022 | ​ |  | 83 | ​ |  | 14 |
| 2023 | ​ |  | 81 | ​ |  | 21 |
| 2024 | ​ |  | 77 | ​ |  | 14 |
| 2025 | ​ |  | 73 | ​ |  | 14 |
| Thereafter | ​ |  | 325 | ​ |  | 57 |
| ​ | ​ | $ | 766 | ​ | $ | 147 |

​

CVR Energy is a party to various supply agreements which commit it to purchase minimum volumes of crude oil, hydrogen, oxygen, nitrogen, petroleum coke and natural gas to run its facilities’ operations. For the years ended December 31, 2020, 2019 and 2018, amounts purchased under these supply agreements totaled approximately $153 million, $167 million and $214 million, respectively.

120

[Table of Contents](#TOC)

**19. Pension and Other Post-Retirement Benefit Plans**

Pension and other post-retirement benefit plan costs and obligations are primarily within our Food Packaging segment. Pension plans and other post-retirement benefit plans for other segments are not material and are not included in our disclosures below.

Viskase sponsors several defined benefit pension plans, including defined contribution plans, varying by country and subsidiary. Additionally, Viskase sponsors health care and life insurance benefits for certain employees and retirees around the world. The pension benefits are funded based on the funding requirements of federal and international laws and regulations, as applicable, in advance of benefit payments and the other benefits are funded as benefits are provided to participating employees.

Components of net periodic benefit cost (credit) are as follows:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **U.S. and Non-U.S. Pension Benefits** | | | | | | | |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Service cost | ​ | $ | — | ​ | $ | — | ​ | $ | 1 |
| Interest cost | ​ |  | 5 | ​ |  | 6 | ​ |  | 6 |
| Expected return on plan assets | ​ |  | (5) | ​ |  | (4) | ​ |  | (5) |
| Amortization of actuarial losses | ​ |  | 1 | ​ |  | 1 | ​ |  | 1 |
| Settlement loss recognized | ​ |  | — | ​ |  | — | ​ |  | 7 |
| ​ | ​ | $ | 1 | ​ | $ | 3 | ​ | $ | 10 |

​

The following table provides disclosures for Viskase’s benefit obligations, plan assets, funded status, and recognition in the consolidated balance sheets. As pension costs for Viskase are not material to our consolidated financial position and results of operations, we do not provide information regarding their inputs and valuation assumptions.

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **U.S and Non-U.S. Pension Benefits** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| Change in benefit obligation: | ​ | ​ |  |  | ​ |  |
| Benefit obligation, beginning of year | ​ | $ | 154 | ​ | $ | 146 |
| Interest cost | ​ |  | 5 | ​ |  | 6 |
| Benefits paid | ​ |  | (7) | ​ |  | (7) |
| Actuarial loss | ​ |  | 11 | ​ |  | 11 |
| Currency translation | ​ |  | 3 | ​ |  | (2) |
| Benefit obligation, end of year | ​ |  | 166 | ​ |  | 154 |
| Change in plan assets: | ​ |  |  | ​ |  |  |
| Fair value of plan assets, beginning of year | ​ |  | 90 | ​ |  | 77 |
| Actual return on plan assets | ​ |  | 10 | ​ |  | 15 |
| Employer contributions | ​ |  | 1 | ​ |  | 5 |
| Benefits paid | ​ |  | (7) | ​ |  | (7) |
| Fair value of plan assets, end of year | ​ |  | 94 | ​ |  | 90 |
| Funded status of the plan and amounts recognized in the consolidated balance sheets | ​ | $ | (72) | ​ | $ | (64) |

​

121

[Table of Contents](#TOC)

***Defined Benefit Plans Measured at Fair Value on a Recurring Basis***

The following table presents Viskase’s defined benefit plan assets measured at fair value on a recurring basis:

​

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31, 2020** | | | | | | | | ​ | **December 31, 2019** | | | | | | | |
| ​ |  | **Level 1** | |  | **Level 2** | |  | **Total** | |  | **Level 1** | |  | **Level 2** | |  | **Total** | |
|  | | | | | | | | | | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | | | | | | | | | | |
| U.S. and Non-U.S. Plans: | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  | ​ | ​ |  |
| Cash and cash equivalents | ​ | $ | 7 | ​ | $ | — | ​ | $ | 7 | ​ | $ | 3 | ​ | $ | — | ​ | $ | 3 |
| Government debt securities | ​ |  | 3 | ​ |  | 6 | ​ |  | 9 | ​ |  | 1 | ​ |  | 2 | ​ |  | 3 |
| Exchange traded funds | ​ |  | 13 | ​ |  | — | ​ |  | 13 | ​ |  | 18 | ​ |  | — | ​ |  | 18 |
| Mutual funds | ​ |  | 40 | ​ |  | 2 | ​ |  | 42 | ​ |  | 26 | ​ |  | 2 | ​ |  | 28 |
| Common stock | ​ |  | 23 | ​ |  | — | ​ |  | 23 | ​ |  | 27 | ​ |  | — | ​ |  | 27 |
| ​ | ​ | $ | 86 | ​ | $ | 8 | ​ | $ | 94 | ​ | $ | 75 | ​ | $ | 4 | ​ | $ | 79 |
| Investments measured at net asset value | ​ | ​ | ​ | ​ | ​ | ​ | ​ |  | — | ​ |  | ​ | ​ | ​ | ​ | ​ |  | 11 |
| Plan assets measured at fair value | ​ | ​ | ​ | ​ | ​ | ​ | ​ | $ | 94 | ​ |  | ​ | ​ | ​ | ​ | ​ | $ | 90 |

​

​

**20. Supplemental Cash Flow Information**

Supplemental cash flow information consists of the following:

​

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Cash payments for interest, net of amounts capitalized | ​ | $ | (507) | ​ | $ | (524) | ​ | $ | (484) |
| Cash receipts (payments) for income taxes, net of payments | ​ |  | 22 | ​ |  | (64) | ​ |  | (20) |
| Non-cash consideration for obtaining a controlling interest in subsidiary | ​ |  | (249) | ​ |  | — | ​ | ​ | — |
| Non-cash Investment segment contributions from non-controlling interests | ​ | ​ | 1,240 | ​ | ​ | — | ​ | ​ | — |
| Equity investment consideration received from sale of business | ​ |  | — | ​ |  | — | ​ | ​ | 1,241 |

​

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

**21. Subsequent Events**

***Icahn Enterprises***

*Distribution*

On February 24, 2021, the Board of Directors of the general partner of Icahn Enterprises declared a quarterly distribution in the amount of $2.00 per depositary unit, which will be paid on or about April 28, 2021 to depositary unitholders of record at the close of business on March 26, 2021. Depositary unitholders will have until April 16, 2021 to make an election to receive either cash or additional depositary units; if a holder does not make an election, it will automatically be deemed to have elected to receive the distribution in additional depositary units. Depositary unitholders who elect to receive (or are deemed to have elected to receive) additional depositary units will receive units valued at the volume weighted average trading price of the units on Nasdaq during the 5 consecutive trading days ending April 23, 2021. No fractional depositary units will be issued pursuant to the distribution payment. Icahn Enterprises will make a cash payment in lieu of issuing fractional depositary units to any holders electing to receive depositary units. Any holders that would only be eligible to receive a fraction of a depositary unit based on the above calculation will receive a cash payment. For distributions declared by the Board in prior quarters, the default election (for holders that did not make an election) was a cash distribution. The default election (for holders that do not make an election) for the distribution to be paid on or about April 28, 2021 will be a distribution paid in additional depository units, a change from prior quarters.

​

122

[Table of Contents](#TOC)

**Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure**

None.

**Item 9A. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

As of December 31, 2020, our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of Icahn Enterprises’ and Icahn Enterprises Holdings’ and subsidiaries’ disclosure controls and procedures pursuant to the Rule 13a-15(e) and 15d-15(e) promulgated under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in 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 Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

**Management’s Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting and for an assessment of the effectiveness of internal control over financial reporting; as such items are defined in Rule 13a-15f under the Exchange Act.

Our internal control over financial reporting is designed to provide reasonable assurance that our financial reporting and preparation of financial statements is reliable and in accordance with generally accepted accounting principles. Our policies and procedures are designed to provide reasonable assurance that transactions are recorded and records are maintained in reasonable detail as necessary to accurately and fairly reflect transactions and that all transactions are properly authorized by management in order to prevent or timely detect unauthorized transactions or misappropriation of assets that could have a material effect on our financial statements.

Management is required to base its assessment on the effectiveness of our internal control over financial reporting on a suitable, recognized control framework. Management has utilized the criteria established in the 2013 *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) to evaluate the effectiveness of internal control over financial reporting.

Our management has performed an assessment according to the guidelines established by COSO. Based on the assessment, management has concluded that our system of internal control over financial reporting, as of December 31, 2020, is effective.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Grant Thornton LLP, our independent registered public accounting firm, has audited and issued their reports on Icahn Enterprises’ internal control over financial reporting, which appears below.

**Changes in Internal Control Over Financial Reporting**

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

​

123

[Table of Contents](#TOC)

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors and Partners

Icahn Enterprises L.P.

**Opinion on internal control over financial reporting**

We have audited the internal control over financial reporting of Icahn Enterprises L.P. (a Delaware limited partnership) and subsidiaries (the “Partnership”) as of December 31, 2020, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Partnership maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in the *2013 Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Partnership as of and for the year ended December 31, 2020, and our report dated February 26, 2021 expressed an unqualified opinion on those financial statements.

**Basis for opinion**

The Partnership’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Partnership’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

**Definition and limitations of internal control over financial reporting**

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/GRANT THORNTON LLP

​

New York, New York

February 26, 2021

​

124

[Table of Contents](#TOC)

**Item 9B. Other Information**

None.

**PART III**

**​**

**Item 10. Directors, Executive Officers and Corporate Governance**

The names, offices held and ages of the directors and executive officers of Icahn Enterprises G.P., Inc. (“Icahn Enterprises GP”), the general partner of each of Icahn Enterprises L.P. (“Icahn Enterprises”) and Icahn Enterprises Holdings L.P. (“Icahn Enterprises Holdings”) during 2020 and through the date of this Report are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ |
| **Name** |  | **Age** |  | **Position** |
| Carl C. Icahn |  | 85 |  | Chairman of the Board |
| Keith Cozza |  | 42 |  | President, Chief Executive Officer and Director |
| SungHwan Cho |  | 46 |  | Chief Financial Officer and Director |
| Ted Papapostolou |  | 40 |  | Chief Accounting Officer |
| Brett Icahn | ​ | 41 | ​ | Director |
| Michael Nevin |  | 37 |  | Director |
| Denise Barton |  | 63 |  | Director |
| Alvin B. Krongard |  | 84 |  | Director |
| Stephen A. Mongillo | ​ | 59 | ​ | Director |

Our directors are selected by Carl C. Icahn, as the controlling stockholder of Icahn Enterprises GP, and are not elected by our limited partners. Individuals who possess characteristics that include integrity, business experience, financial acumen and leadership abilities are qualified to serve on our board of directors. Listed below are our directors and executive officers with their biographies. In addition, we have summarized for each director why such director has been chosen to serve on our board of directors.

***Carl C. Icahn*** has served as Chairman of the Board and a director of Starfire Holding Corporation, a privately-held holding company, and Chairman of the Board and a director of various subsidiaries of Starfire Holding Corporation, since 1984. Since August 2007, through his position as Chief Executive Officer of Icahn Capital LP, a wholly-owned subsidiary of Icahn Enterprises and certain related entities, Mr. Icahn’s principal occupation has been managing private investment funds, including Icahn Partners LP and Icahn Partners Master Fund LP. Since 1990, Mr. Icahn has been Chairman of the Board of Icahn Enterprises GP, the general partner of Icahn Enterprises and Icahn Enterprises Holdings. Mr. Icahn was previously: Chairman of the Board of Tropicana Entertainment Inc., a company that is primarily engaged in the business of owning and operating casinos and resorts, from 2010 until 2018; Chairman of the Board of CVR Refining, LP from 2013 to 2018; Chairman of the Board of CVR Energy, Inc., from 2012 to 2018; President and a member of the Executive Committee of XO Holdings, from 2011 to 2017, and Chairman of the Board of its predecessors, from 2003 to 2011; a director of Federal-Mogul LLC, a supplier of automotive powertrain and safety components, from 2007 to 2015, and the non-executive Chairman of the Board of Federal-Mogul LLC, from 2008 to 2015; Chairman of the Board of American Railcar Industries, Inc., a railcar manufacturing company, from 1994 to 2014; a director of American Railcar Leasing LLC, a lessor and seller of specialized railroad tank and covered hopper railcars, from 2004 to 2013; a director of WestPoint Home LLC, from 2005 to 2011; and a director of Cadus Corporation, a company engaged in the acquisition of real estate for renovation or construction and resale, from 1993 to 2010.

Mr. Icahn brings to his role as the Chairman of the Board his significant business experience in leadership roles as director in various companies as discussed above, including certain of our subsidiaries. In addition, Mr. Icahn is uniquely qualified based on his historical background for creating value in companies across multiple industries. Mr. Icahn has proven to be a successful investor over the past 40 years.

***Keith Cozza*** has been the President and Chief Executive Officer of Icahn Enterprises since February 2014. In addition, Mr. Cozza has served as Chief Operating Officer of Icahn Capital LP, the subsidiary of Icahn Enterprises

125

[Table of Contents](#TOC)

through which Carl C. Icahn manages investment funds, since February 2013. From February 2013 to February 2014, Mr. Cozza served as Executive Vice President of Icahn Enterprises. Mr. Cozza is also the Chief Financial Officer of Icahn Associates Holding LLC, a position he has held since 2006. Mr. Cozza has been a: Chairman of the Board of Xerox Corporation, a provider of document management solutions, since May 2018; and director of Icahn Enterprises since September 2012. In addition, Mr. Cozza serves as a director of certain wholly-owned subsidiaries of Icahn Enterprises, including: Icahn Automotive Group LLC and PSC Metals, LLC. Mr. Cozza was previously: a director of Tenneco Inc., manufacturers of Ride Performance, Clean Air products and technology solutions for automotive and commercial vehicles, from October 2018 until March 2019; a director of Federal-Mogul LLC, a supplier of automotive powertrain and safety components, from January 2017 until October 2018; a director of Tropicana Entertainment Inc., a company that is primarily engaged in the business of owning and operating casinos and resorts, from February 2014 until October 2018; a director of Herbalife Ltd., a nutrition company, from April 2013 until April 2018; a member of the Executive Committee of American Railcar Leasing LLC, a lessor and seller of specialized railroad tank and covered hopper railcars, from June 2014 to June 2017; a director of FCX Oil & Gas Inc., a wholly-owned subsidiary of Freeport-McMoRan Inc., from October 2015 to April 2016; a director of CVR Refining, LP from January 2013 to February 2014; and a director of MGM Holdings Inc., an entertainment company focused on the production and distribution of film and television content, from April 2012 to August 2012. Icahn Enterprises, Icahn Automotive Group LLC, PSC Metals, LLC and CVR Refining, LP each are indirectly controlled by Carl C. Icahn, and Federal-Mogul LLC, Tropicana Entertainment Inc. and American Railcar Leasing LLC were previously indirectly controlled by Mr. Icahn. Mr. Icahn has or previously had non-controlling interests in Xerox Corporation, Tenneco Inc., Herbalife Ltd., Freeport-McMoRan, and MGM Holdings through the ownership of securities.

Mr. Cozza brings to his service as a director his significant experience in leadership roles as director of various companies as discussed above. In particular, his experience as Chief Financial Officer of Icahn Associates Holding LLC enables him to understand the complex business and financial issues that we may face.

***SungHwan Cho*** has served as Chief Financial Officer of Icahn Enterprises since March 2012. Prior to that time, he was Senior Vice President and previously Portfolio Company Associate at Icahn Enterprises since October 2006. Mr. Cho has been a: director of Hertz Global Holdings, Inc., a company engaged in the car rental business, since May 2017; director of CVR Energy, Inc. since May 2012 (and has been Chairman of the Board of CVR Energy, Inc. since June 2018); and director of Icahn Enterprises since September 2012. In addition, Mr. Cho serves as a director of WestPoint Home LLC. Mr. Cho was previously: a director of PSC Metals, LLC; a director of Icahn Automotive Group LLC; a director of Tenneco Inc., manufacturers of Ride Performance, Clean Air products and technology solutions for automotive and commercial vehicles, from April 2019 until June 2020; a director and Chairman of the Board of Ferrous Resources Limited, an iron ore mining company, from January 2017 until July 2019; a director (from January 2013) and Chairman of the Board (from June 2018) of CVR Refining, LP until January 2019; a member of the Executive Committee of American Railcar Leasing LLC, a lessor an seller of specialized railroad tank and covered hopper railcars, from September 2013 to June 2017; a director of CVR Partners, LP from May 2012 to April 2017; a director of Viskase Companies, Inc. from November 2006 to April 2017; a director of Take-Two Interactive Software Inc., a publisher of interactive entertainment products, from April 2010 to November 2013; a director (from June 2011) and Chairman of the Board (from July 2014) of American Railcar Industries, Inc., a railcar manufacturing company, until December 2018; and a director of Federal-Mogul LLC, a supplier of automotive powertrain and safety components, until October 2018. Icahn Enterprises, CVR Energy, Inc., Icahn Automotive Group LLC, PSC Metals, LLC, WestPoint Home LLC, CVR Partners, LP, Viskase Companies, Inc. and CVR Refining, LP each are indirectly controlled by Carl C. Icahn, and Ferrous Resources Limited, American Railcar Leasing LLC, American Railcar Industries, Inc. and Federal-Mogul LLC, were previously indirectly controlled by Mr. Icahn. Mr. Icahn has or previously had a non-controlling interest in each of Hertz Global Holdings, Tenneco, Inc. and Take-Two Interactive Software through the ownership of securities.

Mr. Cho brings to his service as a director his significant experience in leadership roles as director of various companies as discussed above. In particular, his service as Chief Financial Officer of Icahn Enterprises and Icahn Enterprises Holdings enables him to understand the complex business and financial issues that we may face.

***Ted Papapostolou*** has served as Chief Accounting Officer of Icahn Enterprises since March 2020, and as its Secretary since April 2020. Mr. Papapostolou served in various progressive accounting positions at Icahn Enterprises from March 2007 to March 2020. Previously, Mr. Papapostolou worked at Grant Thornton LLP in their audit practice.

126

[Table of Contents](#TOC)

Mr. Papapostolou received his M.B.A from The Peter J. Tobin College of Business at Saint John’s University and his B.B.A from Frank G. Zarb School of Business at Hofstra University. Mr. Papapostolou has served as director of Viskase Companies, Inc., since April 2020. Viskase Companies, Inc., is indirectly controlled by Carl C. Icahn.

***Brett Icahn*** has served as a director of Icahn Enterprises’ general partner, Icahn Enterprises GP and has been a Portfolio Manager for Icahn Capital LP, a subsidiary of Icahn Enterprises since October 2020. Mr. Icahn was previously a consultant for Icahn Enterprises, where he exclusively provided investment advice to Carl C. Icahn with respect to the investment strategy for Icahn Enterprises’ Investment segment and with respect to capital allocation across Icahn Enterprises’ various operating subsidiaries from 2017 to 2020. From 2010 to 2017, Mr. Icahn was responsible for co-executing an investment strategy across all industries as a Portfolio Manager of the Sargon Portfolio for Icahn Capital LP, the entity through which Carl C. Icahn manages investment funds. From 2002 to 2010, Mr. Icahn served as an investment analyst for Icahn Capital LP and in a variety of investment advisory roles for Carl C. Icahn. Mr. Icahn has been a director of Newell Brands Inc., a global marketer of consumer and commercial products, since March 2018. Mr. Icahn was previously a director of: Nuance Communications, Inc., a provider of voice and language solutions, from October 2013 to March 2016; Voltari Corporation, a mobile data services provider, from January 2010 to August 2014; American Railcar Industries, Inc., a railcar manufacturing company, from January 2007 to June 2014; Cadus Corporation, a company engaged in the acquisition of real estate for renovation or construction and resale, from January 2010 to February 2014; Take-Two Interactive Software Inc., a publisher of interactive entertainment products, from April 2010 to November 2013; and The Hain Celestial Group, Inc., a natural and organic products company, from July 2010 to November 2013. Voltari Corporation, American Railcar Industries and Cadus Corporation were previously indirectly controlled by Carl C. Icahn. Carl C. Icahn also has or previously had non-controlling interests in Newell Brands Inc., Nuance Communications, Inc., Take-Two Interactive Software Inc. and the Hain Celestial Group through the ownership of securities. Brett Icahn is the son of Carl C. Icahn.

Mr. Icahn brings to his service as a director his significant experience in leadership roles as director of various companies as discussed above. In addition, Mr. Icahn is uniquely qualified based on his prior experience working as an investment analyst for Icahn Capital LP.

***Michael Nevin*** has served as a director of Icahn Enterprises’ general partner, Icahn Enterprises GP, since December 2018 and has served as Managing Director from June 2018 until August 2019. In addition, Mr. Nevin has served as Chief Financial Officer of Icahn Automotive Group LLC since February 2019. From July 2015 to June 2018, Mr. Nevin served as a Financial Analyst at Icahn Enterprises. Prior to joining Icahn Enterprises, Mr. Nevin was employed by Jefferies LLC as a Research Analyst from 2014 to 2015 covering the utilities sector. Mr. Nevin was also employed by JP Morgan Investment Bank in various roles from 2009 to 2014, most recently as an Associate from 2012 to 2014. Mr. Nevin has been a director of: Viskase Companies, Inc. since April 2017. Mr. Nevin was previously: a director of Conduent Incorporated, a provider of business process outsourcing services, from December 2016 through August 2019; a director of Ferrous Resources Ltd, an iron ore mining company, from December 2016 through its sale in August 2019; a director of American Railcar Industries, Inc., a railcar manufacturing company, from February 2017 through its sale in December 2018; and a director of Federal-Mogul LLC, a supplier of automotive powertrain and safety components, from February 2016 through its sale in October 2018. Viskase Companies, Inc., is indirectly controlled by Carl C. Icahn. Ferrous Resources Ltd., American Railcar Industries, Inc. and Federal-Mogul LLC were previously indirectly controlled by Mr. Icahn. Carl C. Icahn also has a non-controlling interests in Conduent Incorporated through the ownership of securities. Mr. Nevin is married to the daughter of Carl C. Icahn.

Mr. Nevin brings to his service as a director his significant experience in leadership roles as director of various companies as discussed above. In particular, his service as Chief Financial Officer of Icahn Automotive enables him to understand the complex business and financial issues that we may face.

***Denise Barton*** has served as a director of Icahn Enterprises’ general partner, Icahn Enterprises GP, since September 2019 and is a member of our audit committee. Ms. Barton has served on the board of directors and audit committee for Viskase Companies, Inc., a subsidiary of Icahn Enterprises, since May 2016 and served on the board of directors and audit committee for Trump Entertainment Resorts, Inc., a subsidiary of Icahn Enterprises, from February 2016 through June 2017. Ms. Barton served as a member of the Operating Executive Board of Gotham Private Equity Partners, LP, a New York based merchant banking firm, from March 2010 through January 2014. Ms. Barton

127

[Table of Contents](#TOC)

served as the Chief Financial Officer for Land Holdings I, LLC, a company formed to develop, own and operate the Scarlet Pearl Casino Resort, from March 2012 through March 2017. In addition, Ms. Barton has over 15 years’ experience in public accounting and has served as Chief Financial Officer in both public and private companies. Ms. Barton is a certified public accountant and has been licensed by the Nevada State Gaming Control Commission, the New Jersey Casino Control Commission and the Mississippi Gaming Commission.

Ms. Barton brings to her service as a director her significant experience in leadership roles as director of various companies as discussed above. In particular, her service as Chief Financial Officer of various companies enables her to understand the complex business and financial issues that we may face.

***Alvin B. Krongard*** has served as a director of Icahn Enterprises’ general partner, Icahn Enterprises GP, since March 2019 and is a member of our audit committee. Mr. Krongard currently serves as a director and a member of the audit committee of the board of directors of Apollo Global Management, LLC; as a director and chairman of the corporate governance committee and the investment committee of the board of directors of Iridium Communications Inc. and previously served as the lead independent director and chairman of the audit committee of the board of directors of Under Armour, Inc from March 2019 until May 2020. He served as Executive Director of the Central Intelligence Agency from 2001 to 2004 and as counselor to the Director of the Central Intelligence Agency from 2000 to 2001. Mr. Krongard previously served in various capacities at Alex.Brown, Incorporated, including serving as Chief Executive Officer beginning in 1991 and assuming additional duties as Chairman of the board of directors in 1994. Upon the merger of Alex.Brown with Bankers Trust Corporation in 1997, Mr. Krongard became Vice Chairman of the Board of Bankers Trust and served in such capacity until joining the Central Intelligence Agency in 1998.

Mr. Krongard brings to his service as a director his significant experience in leadership roles as director of various companies as discussed above. In particular, his service as Chief Executive Officer of Alex.Brown, Incorporated enables him to understand the complex business and financial issues that we may face.

***Stephen A. Mongillo*** has served as a director of Icahn Enterprises’ general partner, Icahn Enterprises GP, since March 2020 and is a member of our audit committee. Mr. Mongillo has served as a director of CVR Energy, Inc., a majority owned subsidiary of Icahn Enterprises, since May 2012. Mr. Mongillo is currently, and has been since April 2012, the Chairman and Chief Executive Officer of AMPF, Inc., a distributor of picture frame mouldings and supplies of which he is also the principal shareholder. Previously, Mr. Mongillo served as: a director of HERC Holdings, Inc., a publicly traded equipment rental company, from 2016 until 2018; a director of American Railcar Industries, Inc from 2009 until 2011; a director of WestPoint Home LLC, from March 2009 until January 2011; and a managing director of Icahn Capital LP, from January 2008 until January 2011. Icahn Capital LP and WestPoint Home, LLC are each indirectly controlled by Carl C. Icahn. American Railcar Industries, Inc. was previously indirectly controlled by Carl C. Icahn. Carl C. Icahn also previously had non-controlling interests in HERC Holdings, Inc through the ownership of securities. Mr. Mongillo received a B.A. from Trinity College and an M.B.A from the Amos Tuck School of Business Administration at Dartmouth College.

Mr. Mongillo brings to his service as a director his significant experience in leadership roles as director of various companies as discussed above. In particular, his service as Chief Executive Officer of AMPF, Inc. enables him to understand the complex business and financial issues that we may face.

***Audit Committee***

Denise Barton, Alvin B. Krongard and Stephen A. Mongillo serve on our audit committee. Denise Barton is an “audit committee financial expert,” within the meaning of Item 407(d)(5) of Regulation S-K and is “independent” within the meaning of Rule 5605(a)(2) of the Nasdaq Listing Rules. We believe that each of the other audit committee members are also “independent.” A copy of the audit committee charter is available on our website at *www.ielp.com/corporate-governance* or may be obtained without charge by writing to Icahn Enterprises L.P., 16690 Collins Avenue, PH-1, Sunny Isles Beach, FL 33160, Attention: Investor Relations.

Our audit committee has regularly scheduled meetings each year, and numerous other meetings when circumstances require. Regularly scheduled meetings are held in connection (a) with the audit committee’s review, together with our

128

[Table of Contents](#TOC)

senior management, the senior management of our subsidiaries, and representatives of our independent auditor, of our quarterly reports on Form 10-Q and our annual report on Form 10-K and (b) telephone conferences with the senior management of each of our subsidiaries. Regularly scheduled meetings are also held with our Chief Financial Officer, Chief Accounting Officer and Chief Auditor, who report to the audit committee on company-wide developing financial and related matters. In connection with our annual report on Form 10-K, the audit committee meets in executive session, and also meets separately with our independent auditor and our senior management. Our audit committee holds two annual executive sessions. When necessary, our audit committee holds informal meetings, meets with its independent counsel, and, when appropriate, with independent financial advisers.

The functions of our audit committee include, but are not limited to: (1) the review of our financial and accounting policies and procedures, including oversight; (2) the selection of our independent auditor and the determination of the auditor’s fees for audit services; (3) the pre-approval of any non-audit services and the fees to be paid to our independent auditor; (4) the obtaining, at least annually, of a report from our independent auditor of the adequacy of our internal controls over financial reporting; (5) the review of the results of all audits of our books and records performed by the independent auditor for, among other reasons, to determine the integrity of our financial statements; (6) discussing our policies with respect to risk assessment and risk management, and reporting such policies to the full board of directors; (7) the review of significant earnings press releases prior to release with respect to the types of information disclosed and the manner in which the information is disclosed; and (8) the review and approval of related party transactions and conflicts of interest in accordance with the terms of our partnership agreement. Our audit committee is empowered, in its discretion, to engage such advisors as it might deem necessary, including legal counsel and financial and accounting advisors.

Interested parties may directly communicate with the presiding director of the audit committee or with the non-management directors of the audit committee as a group by directing all inquiries to our ethics hotline at (877) 888-0002.

***Audit Committee Report***

The audit committee has confirmed that: (1) the audit committee reviewed and discussed our audited financial statements for the year ended December 31, 2020 with management; (2) the audit committee has discussed with our independent auditors the matters required to be discussed by SAS 61 (Codification of Statements on Auditing Standards, AU§380); (3) the audit committee has received the written disclosures and the letter from the independent accountants required by Independence Standards Board Standard No. 1; and (4) based on the review and discussions referred to in clauses (1), (2) and (3) above, the audit committee recommended to the board of directors that our audited financial statements for the year ended December 31, 2020 be included in this Report.

This report is provided by the following independent directors, who constitute the audit committee:

Denise Barton

Alvin B. Krongard

Stephen A. Mongillo

***Code of Ethics and Business Conduct***

Icahn Enterprises GP’s board of directors has adopted a Code of Business Conduct and Ethics applicable to all directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer. A copy of the Code of Business Conduct and Ethics is available on our website at *www.ielp.com/corporate-governance* and may be obtained without charge by writing to Icahn Enterprises L.P., 16690 Collins Avenue, PH-1, Sunny Isles Beach, FL 33160, Attention: Investor Relations.

129

[Table of Contents](#TOC)

***Nasdaq Corporate Governance Compliance***

Pursuant to Rule 5615(a)(4)(J) of the Nasdaq corporate governance requirements, in the event that an executive officer of Icahn Enterprises’ or Icahn Enterprises Holdings’, or a person performing an equivalent role, becomes aware of any noncompliance with Nasdaq’s corporate governance requirements, he or she is required to provide prompt notice to Nasdaq of such noncompliance. As of February 26, 2021, we believe that we are compliant with Nasdaq’s corporate governance requirements.

***Board Leadership Structure***

Our leadership structure includes the positions of Chairman of the Board (“Chairman”) and Chief Executive Officer. Mr. Icahn serves as our Chairman and Mr. Cozza serves as our Chief Executive Officer.

The Chairman is responsible for organizing the board of directors and setting its agenda and priorities. The Chairman does not participate in the day-to-day business operations of our business segments, other than our Investment segment. The Chief Executive Officer is accountable directly to the board of directors, including the Chairman, and has day-to-day responsibility, in consultation with our Chairman, for general oversight of our business segments. Our business segments are operated through subsidiaries with their own management teams, including boards of directors, responsible for the day-to-day operations of those businesses. We believe that our leadership structure is appropriate for our holding company structure as it enhances our corporate governance and company oversight by separating responsibilities between the Chief Executive Officer and Chairman.

***Board of Directors Role in Risk Oversight***

In connection with its oversight responsibilities, the board of directors, including the audit committee, periodically reviews the significant risks that we face. These risks include strategic, financial, operational and compliance risks. The board of directors administers its risk oversight responsibilities through its Chief Executive Officer and its Chief Financial Officer, who, together with our chief auditor and management representatives of each of our operating subsidiaries, review and assess the operations of the businesses as well as each respective management’s identification, assessment and mitigation of the material risks affecting our operations.

The board of directors met ten times during 2020, including four regularly scheduled meetings and six special meetings. All of the directors who served during all of 2020 attended at least 75% of the total meetings of the board of directors and each of its committees on which such director served.

***Delinquent Section 16(a) Reports***

Section 16(a) of the Exchange Act, requires our executive officers and directors and persons who own more than 10% of a registered class of our equity securities, to file with the SEC initial statements of beneficial ownership, reports of changes in ownership and Annual Reports concerning their ownership, of common stock and other of our equity securities on Forms 3, 4, and 5, respectively. Executive officers, directors and greater than 10% stockholders are required by SEC regulations to furnish us with copies of all Section 16(a) reports they file. In July 2020, Mr. Papapostolou filed a Form 3 with the SEC, which was not timely filed following his designation as officer of Icahn Enterprises in March 2020 as required by Section 16(a) of the Exchange Act. Mr. Papapostolou did not have any transactions to report and has not been required to file any other reports with the SEC.

**Item 11. Executive Compensation**

**Company Structure and Reporting Requirements**

Icahn Enterprises is a master limited partnership (“MLP”) and is not subject to the proxy solicitation rules as required by section 14A of the Exchange Act or §240.14a-20. Furthermore, because Icahn Enterprises has not ever been a TARP recipient, as defined in section 111(a)(3) of the Emergency Economic Stabilization Act of 2008, it is not subject to §240.14a-20. As an MLP, pursuant to Icahn Enterprises’ partnership agreement, the general partner, Icahn Enterprises

130

[Table of Contents](#TOC)

GP, has exclusive management powers over the business and affairs of Icahn Enterprises. That is, Icahn Enterprises GP’s stockholders have the right to elect members of Icahn Enterprises GP’s board of directors, who, in turn, elect the officers of Icahn Enterprises. Accordingly, Icahn Enterprises does not hold annual meetings to elect its directors.

**Compensation Discussion and Analysis**

The following section provides an overview and analysis of our compensation programs, the compensation decisions we have made under those programs, and the factors we considered in making those decisions. Later in this section, under the heading “Additional Information Regarding Executive Compensation,” we provide a table containing specific information about the compensation earned by the following individuals in 2020, whom we refer to as our named executive officers:

|  |  |  |
| --- | --- | --- |
|  | ● | Carl C. Icahn, Chairman of the Board(1) |

|  |  |  |
| --- | --- | --- |
|  | ● | Keith Cozza, President and Chief Executive Officer(2) |

|  |  |  |
| --- | --- | --- |
|  | ● | SungHwan Cho, Chief Financial Officer(3) |

|  |  |  |
| --- | --- | --- |
|  | ● | Ted Papapostolou, Chief Accounting Officer |

|  |  |  |
| --- | --- | --- |
|  | ● | Peter Reck, Chief Accounting Officer(4) |

|  |  |  |
| --- | --- | --- |
|  | (1) | In addition, Mr. Icahn serves as Chief Executive Officer of our subsidiary, Icahn Capital LP and of the Investment Funds. |

|  |  |  |
| --- | --- | --- |
|  | (2) | In addition, Mr. Cozza also serves as the Chief Operating Officer of Icahn Capital LP, serves as director of Icahn Enterprises and Icahn Enterprises Holdings and holds officer and/or director positions at certain of our other subsidiaries. |

|  |  |  |
| --- | --- | --- |
|  | (3) | In addition, Mr. Cho serves as a director of Icahn Enterprises and Icahn Enterprises Holdings. |

|  |  |  |
| --- | --- | --- |
|  | (4) | Mr. Reck served as Chief Accounting Officer until March 31, 2020, at which time his employment with us ended. |

The discussion below is intended to help you understand the detailed information provided in the table and put that information into context within our overall compensation program.

***Overview of Compensation Program***

Throughout this narrative discussion and in the accompanying table, we refer to our named executive officers. The key compensation package provided to our named executive officers consists of (i) base salary, (ii) incentive compensation and (iii) other benefits. The key compensation provided to our named executive officers for 2020 consisted of salary and bonuses. See “Additional Information Regarding Executive Compensation - Summary Compensation Table” for the compensation received by each of our named executive officers for 2020. Executive compensation levels and bonuses are established based upon the recommendation of our chairman, which are discussed with members of the board. The board of directors does not delegate the authority to establish executive officer compensation to any other person and has not retained any compensation consultants to determine or recommend the amount or form of executive and director compensation.

***Compensation Philosophy and Objectives***

Our executive compensation philosophy is designed to support our key business objectives while maximizing value to our unitholders. The objectives of our compensation structure are to attract and retain valuable employees, assure fair and internally equitable pay levels and provide a mix of base salary and variable bonuses that provides motivation and rewards performance. At the same time, we seek to optimize and manage compensation costs.

131

[Table of Contents](#TOC)

The primary components of our executive compensation are base salary and, except as otherwise indicated, annual bonus, payable in cash. Base salary is paid for ongoing performance throughout the year and is determined based on job function and each executive’s contribution to our performance and achievement of our overall business objectives. Our annual bonuses are intended to reward particular achievement during the year, motivate future performance and attract and retain highly qualified key employees.

***Determination of Appropriate Pay Levels***

We compete with many other companies for experienced and talented executives. Although we do not benchmark compensation against a specified peer group of companies, we review and consider market information regarding pay practices in the real estate and finance industries generally in assessing the reasonableness of compensation and ensuring that compensation levels remain competitive in the marketplace.

Each element of compensation is reviewed so that the overall compensation package will attract, motivate and retain our key employees, including our named executive officers, by rewarding superior performance. The following factors are considered to determine the amount of compensation paid to each executive officer:

|  |  |  |
| --- | --- | --- |
|  | ● | overall job performance, including performance against corporate and individual objectives; |

|  |  |  |
| --- | --- | --- |
|  | ● | job responsibilities, including unique skills necessary to support our long-term performance, including that of our subsidiaries; and |

|  |  |  |
| --- | --- | --- |
|  | ● | teamwork, both contributions as a member of the executive management team and fostering an environment of personal and professional growth for the entire work force. |

***Allocation of Compensation***

There is no pre-established policy or target for the allocation of compensation. As we are a limited partnership and a controlled entity under the Nasdaq listing rules, our status as an MLP exempts us from certain corporate governance rules, including the requirement to maintain a compensation committee. In 2020, the total compensation granted to named executive officers was in the form of cash compensation.

***Compensation Components***

*Base Salary*

Base salaries for executive officers are determined based on job performance, job responsibilities and teamwork.

Mr. Icahn is currently an at will employee serving as Chairman of the Board of Icahn Enterprises GP, Chairman of the Board and Chief Executive Officer of Icahn Capital LP and Chief Executive Officer of the Investment Funds.

Generally, total compensation is used in determining the amount of contributions permitted under our 401(k) Plan. In addition, base salary may include accrued but unused paid time off (“PTO”) days that have been paid in accordance with the Company’s PTO policy.

See “Additional Information Regarding Executive Compensation - Summary Compensation Table” for detailed information on the compensation received by each of our named executive officers for 2020.

*Bonus*

The Company believes that bonuses are an integral component of compensation that is an important way to motivate and reward performance of our employees. The Company does not have a formula or pre-established policy for determining either salary levels or bonuses; bonuses are discretionary. In addition, in order that we remain competitive in

132

[Table of Contents](#TOC)

the marketplace, we may review market information regarding pay practices in the real estate and finance industries generally in determining bonuses. Generally, bonuses are determined by various factors, including, but not limited to, the achievement of financial goals and other Company goals that are determined to be critical to the success of the Company, overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork for each individual.

For 2020, Mr. Cozza was paid a discretionary bonus of $5,000,000, Mr. Cho received a discretionary bonus of $1,700,000 and Mr. Papapostolou received a discretionary bonus of $100,000.

*401(k) Plan and Other Benefits*

For 2020, Messrs. Cozza, Cho, Papapostolou and Reck were our only named executive officers participating in our qualified Icahn Enterprises Holdings 401(k) Plan (the “401(k) Plan”), and thus received matching contributions for 2020. The matching contributions for the respective named executive officer in 2020 are disclosed in our Summary Compensation Table under “All Other Compensation” and in the related footnote. Mr. Icahn was our only named executive who did not participate in the 401(k) Plan for 2020. Our 401(k) Plan helps employees save and prepare financially for retirement.

The 401(k) Plan allows employees to contribute up to 50% of their eligible compensation, up to the limits imposed by the Internal Revenue Code, as amended, on a pre-tax basis. We currently match, within prescribed limits, 50% of eligible employees’ contributions up to 6.25% of their eligible compensation. Participants choose to invest their account balances from an array of investment options as selected by plan fiduciaries from time to time. The 401(k) Plan provides distributions in a lump sum. Under certain circumstances, loans and withdrawals are permitted.

All of our named executive officers are entitled to receive medical, dental, life insurance and PTO benefits that are offered to all of our employees and are designed to enable us to attract and retain our workforce in a competitive environment. Health and PTO benefits help ensure that we have a productive and focused workforce.

*Perquisites*

The total value of all perquisites and personal benefits (exclusive of 401(k) Plan matching contributions) provided to each of our named executive officers for 2020, 2019 and 2018 was less than $10,000 per person, except for Mr. Icahn, for whom perquisites and other benefits are identified in the Summary Compensation Table under the “All Other Compensation” column and in related footnotes.

***CEO Pay Ratio***

Our Chief Executive Officer to median employee pay ratio (“CEO Pay Ratio”) is calculated in accordance with Regulation S-K. We determined that we are permitted by Regulation S-K to use the same median employee for 2020 as was identified previously using initial data as of December 31, 2018, which used total cash compensation (inclusive of any bonuses) as our compensation measure. We elected to use the prior data as we have not had significant changes to our employee population or employee compensation arrangements that we reasonably believe would result in a significant change in our CEO Pay Ratio disclosure.

We believe that the use of total cash compensation for all employees is a consistently applied compensation measure because we do not widely distribute annual equity awards to employees or other forms of non-cash compensation. We included all active employees, except as permitted to be excluded by Regulation S-K, whether employed on a full-time, part-time, temporary or seasonal basis. We did not utilize any sampling methods and we did not make any assumptions, adjustments, or estimates with respect to total cash compensation, except to annualize full-time and part-time employees who were hired during the period and to translate any compensation measured in a foreign currency to U.S. Dollars.

The median employee identified in the prior year continued to be actively employed as of December 31, 2020. The annual compensation for such employee was calculated using the same methodology we use for our named executive officers as set forth in the Summary Compensation Table below.

133

[Table of Contents](#TOC)

Our Chief Executive Officer’s total annual compensation for 2020 was $6,511,588. The median employee’s total annual compensation for 2020 was $30,989. The ratio of our Chief Executive Officer’s total annual compensation to our median employee’s total annual compensation for 2020 was 210:1.

**Compensation Committee Report**

As stated above, pursuant to exemptions from the Nasdaq listing rules, the board of directors is not required to have, and does not have, a standing compensation committee. The board of directors has reviewed and discussed the Compensation Disclosure and Analysis required by Item 402(b) of Regulation S-K with management. Based on that review and discussion, the board of directors recommended that the Compensation Disclosure and Analysis be included in this Report.

This report is provided by the board of directors:

Carl C. Icahn

Keith Cozza

Sung Hwan Cho

Brett Icahn

Michael Nevin

Denise Barton

Alvin B. Krongard

Stephen A. Mongillo

**Compensation Committee Interlocks and Insider Participation**

During 2020, our entire board of directors, including Mr. Icahn, participated in deliberations concerning executive compensation. During 2020, none of our executive officers served on the compensation committee (or equivalent), or the board of directors of another entity whose executive officer(s) served on our board of directors.

**Additional Information Regarding Executive Compensation**

The following table sets forth information in respect of the compensation earned for services to us and/or our subsidiaries by each of our named executive officers for 2020.

134

[Table of Contents](#TOC)

**Summary Compensation Table**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Annual Compensation (1)** | | | | | | | | |
| ​ |  | ​ |  | ​ |  | ​ |  | **All Other** |  | ​ |
| **​** | **​** | **​** | **​** | **Salary** | ​ | **Bonus** | ​ | **Compensation** | **​** | **Total** |
| **Name and Principal Position** | **​** | **Year** | **​** | **($)** | ​ | **($)** | ​ | **($)** | **​** | **($)** |
| Carl C. Icahn(2) | ​ | 2020 | ​ | 1 | ​ | — | ​ | 14,636 | (3)​ | 14,637 |
| Chairman of the Board |  | 2019 |  | 1 | ​ | — | ​ | 14,636 | (3)​ | 14,637 |
| ​ |  | 2018 |  | 1 |  | — | ​ | 66,142 | (3)​ | 66,143 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Keith Cozza(4) |  | 2020 |  | 1,500,000 |  | 5,000,000 | ​ | 11,588 | (3)​ | 6,511,588 |
| President and Chief Executive Officer |  | 2019 |  | 1,500,043 |  | 5,000,000 | ​ | 11,344 | (3)​ | 6,511,387 |
| ​ |  | 2018 |  | 1,528,889 |  | 5,000,000 | ​ | 10,719 | (3)​ | 6,539,608 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| SungHwan Cho (5) |  | 2020 |  | 840,000 |  | 1,700,000 | ​ | 11,588 | (3)​ | 2,551,588 |
| Chief Financial Officer |  | 2019 |  | 878,794 |  | 1,700,000 | ​ | 11,344 | (3)​ | 2,590,138 |
| ​ |  | 2018 |  | 849,254 |  | 1,700,000 | ​ | 10,719 | (3)​ | 2,559,973 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Ted Papapostolou (6) |  | 2020 |  | 250,000 |  | 100,000 | ​ | 11,230 | (3)​ | 361,230 |
| Chief Accounting Officer | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Peter Reck (7) |  | 2020 |  | 120,271 |  | — | ​ | 9,580 | (3)​ | 129,851 |
| Chief Accounting Officer |  | 2019 |  | 331,971 |  | 225,000 | ​ | 10,324 | (3)​ | 567,295 |
| ​ |  | 2018 |  | 321,932 |  | 225,000 | ​ | 10,152 | (3)​ | 557,084 |

|  |  |
| --- | --- |
| (1) | Pursuant to applicable regulations, certain columns of the Summary Compensation Table have been omitted, as there has been no compensation awarded to, earned by or paid to any of the named executive officers by us, any of our subsidiaries or by Icahn Enterprises GP, which was subsequently reimbursed by us, required to be reported in those columns. |

|  |  |
| --- | --- |
| (2) | The salary indicated above represents compensation paid to Mr. Icahn in each of 2020, 2019 and 2018 for his services as Chief Executive Officer of our subsidiary, Icahn Capital LP, and of the general partners of the Investment Funds. Mr. Icahn is currently an at will employee serving as Chairman of the Board of Icahn Enterprises GP, Chairman of the Board and Chief Executive Officer of Icahn Capital LP and Chief Executive Officer of the Investment Funds for which he currently receives an annual base salary of $1 per annum. Mr. Icahn does not receive director fees from us. |

|  |  |
| --- | --- |
| (3) | Represents other compensation paid to the following named executive officers: (i) Carl C. Icahn, $13,681, $13,681 and $29,499, in medical and dental benefits for 2020, 2019 and 2018, respectively; $955 in life insurance paid by us for each of 2020, 2019 and 2018; and in his capacity as the Chairman of the Board of Federal-Mogul, $35,688, representing the incremental cost of Mr. Icahn’s personal use of Federal-Mogul’s corporate aircraft for 2018. Mr. Icahn received no fees or compensation from Federal-Mogul for 2018, other than the use of the corporate aircraft as discussed above. The calculation of incremental cost for the personal use of Federal-Mogul’s corporate aircraft includes the variable costs incurred as a result of personal flight activity, which are comprised of a portion of ongoing maintenance and repairs, aircraft fuel, airport fees, catering, and fees and travel expenses for the flight crew. The use of the aircraft for personal use by Mr. Icahn was approved by the board of directors and the Compensation Committee of Federal-Mogul; (ii) Mr. Cozza, $8,906, $9,063 and $8,438 in matching contributions under our 401(k) Plan for 2020, 2019 and 2018, respectively; $1,726, $1,326 and $1,326 in medical and dental benefits paid by us for 2020, 2019 and 2018, respectively; $955 in life insurance premiums paid by us for each of 2020, 2019 and 2018; (iii) Mr. Cho, $8,906, $9,063 and $8,438 in matching contributions under our 401(k) Plan for 2020, 2019 and 2018, respectively; $1,726, $1,326 and $1,326 in medical and dental benefits paid by us for 2020, 2019 and 2018, respectively; $955 in life insurance premiums paid by us for each of 2020, 2019 and 2018; (iv) Mr. Papapostolou, $8,906 in matching contributions under our 401(k) Plan for 2020; $1,726 in medical and dental benefits paid by us for 2020; $597 in life insurance premiums paid by us for 2020; and (v) Mr. Reck, $8,906, |

135

[Table of Contents](#TOC)

|  |  |
| --- | --- |
|  | $8,827 and $8,655 in matching contributions under our 401(k) Plan for 2020, 2019 and 2018, respectively; $486, $742 and $742 in medical and dental benefits paid by us for 2020, 2019 and 2018, respectively; and $188, $755 and $755 in life insurance premiums paid by us for 2020, 2019 and 2018, respectively. Mr. Icahn did not participate in the 401(k) plan during 2020, 2019 and 2018 and thus did not receive any matching contributions for those fiscal years. |

|  |  |
| --- | --- |
| (4) | In addition to Mr. Cozza’s role as President and Chief Executive Officer of Icahn Enterprises and Icahn Enterprises Holdings, he serves as the Chief Operating Officer of Icahn Capital LP and holds officer and/or director positions at certain of our other subsidiaries. During 2020, Mr. Cozza received a salary of $1,500,000 and a bonus of $5,000,000, which was determined based on various factors, including, but not limited to, overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork. |

|  |  |
| --- | --- |
| (5) | For 2020, Mr. Cho received a salary of $840,000 and a bonus of $1,700,000, which was determined based on various factors, including, but not limited to overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork. |

|  |  |
| --- | --- |
| (6) | For 2020, Mr. Papapostolou received a salary of $250,000 and a bonus of $100,000, which was determined based on various factors, including, but not limited to overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork. |

|  |  |
| --- | --- |
| (7) | For 2020, Mr. Reck received a salary of $120,271, which represents his salary for the period through March 31, 2020. |

Each of our executive officers may perform services for affiliates of Mr. Icahn for which we receive reimbursement. See Item 13, “Certain Relationships and Related Transactions, and Director Independence.”

Mr. Brett Icahn is the son of Carl C. Icahn, the Chairman of the Board of Icahn Enterprises. Mr. Nevin is married to the daughter of Carl C. Icahn. There are no other family relationships between or among any of our directors and/or executive officers.

**Employment Agreements**

On December 20, 2019, Icahn Enterprises entered into an employment agreement (the “Employment Agreement”) with Keith Cozza, pursuant to which Mr. Cozza will continue to serve as the President and Chief Executive Officer of Icahn Enterprises, Icahn Enterprises Holdings and Icahn Enterprises GP, the general partner of Icahn Enterprises and Icahn Enterprises Holdings, effective January 1, 2020 until May 31, 2021 unless sooner terminated as provided in the Employment Agreement.

Mr. Cozza will continue to be, among other things, principally responsible for overseeing portfolio company operations and involved with acquisitions, dispositions and financings engaged in by Icahn Enterprises, Icahn Enterprises Holdings and its subsidiaries.

During his term of employment under the Employment Agreement, Mr. Cozza will be paid a base salary at the rate of $1,500,000 per annum, payable every two weeks. Subject to the terms of the Employment Agreement, Mr. Cozza will receive an annual cash bonus payment of $5,000,000 for calendar year 2020 and $2,083,333.34 for the period between January 1, 2021 to May 31, 2021. We do not currently have an employment agreement with any of our other named executive officers.

**Stock Award, Option and Non-Equity Incentive Plans**

Our named executive officers are not granted any stock award or awards under the 2017 Incentive Plan and do not participate in any non-equity incentive plans.

136

[Table of Contents](#TOC)

**Potential Payments Upon Termination or Change in Control**

We did not have any employment agreements or other arrangements pursuant to which any of our named executive officers would have received potential payments upon a termination or change in control as of December 31, 2020.

As noted above, on December 20, 2019, Icahn Enterprises entered into the Employment Agreement with Mr. Cozza, which provides that, in the event that Mr. Cozza is terminated by Icahn Enterprises without Cause (as defined below) or terminates his employment for Good Reason (as defined below), he shall be entitled to payment by Icahn Enterprises of a pro-rata portion of any unpaid bonus for the calendar year of the termination, payable in a lump sum within 5 business days of the effective date of such termination. As noted above under “Employment Agreements”, the amount of the bonus for Mr. Cozza for calendar year 2020 is $5,000,000, and the amount of the bonus for the period between January 1, 2021 to May 31,2021 is $2,083,333.34. If Mr. Cozza is terminated by Icahn Enterprises without Cause or terminates his employment for Good Reason, in either case, during the 2021 calendar year, the pro-rata portion of Mr. Cozza’s bonus will be determined based on the number of days elapsed during calendar year 2021 prior to the effective date of such termination over the total number of calendar days from January 1, 2021 through May 31, 2021 (and not, for the avoidance of doubt, through December 31, 2021).

For purposes of the Employment Agreement, “Cause” generally means (i) conduct by Mr. Cozza in any manner that violates any law, rule or regulation in any material respect, as a result of any wrongful or improper act, but, in each case, only to the extent that Mr. Cozza’s conduct results in his conviction of a felony in a United States federal court or state court of law, or (ii) a material breach by Mr. Cozza of the Employment Agreement which is not cured within 5 business days following written notice.

For purposes of the Employment Agreement, “Good Reason” generally means (i) a material breach of the terms of the Employment Agreement by Icahn Enterprises, or (ii) a material change in the duties assigned to Mr. Cozza which are so different in responsibility and scope so as to be materially adverse to Mr. Cozza to the extent that Mr. Cozza acting reasonably would be demeaned by such change, in each case, which is not cured within 5 business days following written notice.

**Director Compensation**

The following table provides compensation information for our directors in 2020, except for Messrs. Icahn, Cho and Cozza. Compensation received by Messrs. Icahn, Cho and Cozza is included in the Summary Compensation Table. Messrs. Icahn, Cho and Cozza did not receive compensation for serving on our board of directors.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **​** |  | **Fees Earned or** |  | **All Other** |  | **​** |
| **​** | **​** | **Paid in Cash** | **​** | **Compensation** | **​** | **Total** |
| **Name** | **​** | **($)** | **​** | **($)** | **​** | **($)** |
| Brett Icahn |  | — |  | — |  | — |
| Michael Nevin |  | — |  | — |  | — |
| Denise Barton |  | 39,208 |  | — |  | 39,208 |
| Alvin B. Krongard |  | 35,000 |  | — |  | 35,000 |
| Stephen A. Mongillo | ​ | 27,828 | ​ | — | ​ | 27,828 |
| Jack G. Wasserman |  | 6,339 |  | — |  | 6,339 |

​

Each director will hold office until his successor is elected and qualified. Mr. Wasserman has resigned as a director and chairman of the audit committee effective as of February 27, 2020. Mr. Mongillo was appointed to serve as director in March 2020 to fill the vacancy created by the departure of Mr. Wasserman.

During 2020, the fees earned or paid in cash for Ms. Barton and Messrs. Krongard, Mongillo and Wasserman, were in respect of their services rendered as members of our board of directors. With respect to Mr. Wasserman, the fees earned or paid in cash included $5,000 for serving as the chairman of the audit committee, pro-rated through the date of his departure on February 27, 2020. With respect to Ms. Barton, the fees earned or paid in cash included $5,000 for serving as the chairman of the audit committee, pro-rated from date of her appointment as chairman of the audit committee on February 27, 2020. Brett Icahn and Mr. Nevin did not receive compensation in respect of their services rendered as a member of our board of directors.

Directors receive only cash compensation, if applicable, and currently are not granted any options, units or other equity-based awards.

137

[Table of Contents](#TOC)

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Security Holder Matters**

As of February 26, 2021, affiliates of Mr. Icahn, owned 221,749,462 of Icahn Enterprises’ depositary units, or approximately 92% of Icahn Enterprises’ outstanding depositary units. In accordance with the listing rules of Nasdaq, Icahn Enterprises’ status as a limited partnership affords Icahn Enterprises an exemption from certain corporate governance requirements which includes an exemption from the requirement to have compensation and nominating committees consisting entirely of independent directors. Icahn Enterprises GP’s board of directors presently consists of three independent directors and the audit committee consists entirely of independent directors.

The affirmative vote of unitholders holding more than 75% of the total number of all depositary units then outstanding, including depositary units held by Icahn Enterprises GP and its affiliates, is required to remove Icahn Enterprises GP. Thus, since Mr. Icahn, through affiliates, holds approximately 92% of Icahn Enterprises’ outstanding depositary units as of February 26, 2021, Icahn Enterprises GP will not be able to be removed pursuant to the terms of our partnership agreement without Mr. Icahn’s consent. Moreover, under the partnership agreement, the affirmative vote of Icahn Enterprises GP and unitholders owning more than 50% of the total number of all outstanding depositary units then held by unitholders, including affiliates of Mr. Icahn, is required to approve, among other things, selling or otherwise disposing of all or substantially all of our assets in a single sale or in a related series of multiple sales, our dissolution or electing to continue Icahn Enterprises in certain instances, electing a successor general partner, making certain amendments to the partnership agreement or causing us, in our capacity as sole limited partner of Icahn Enterprises Holdings, to consent to certain proposals submitted for the approval of the limited partners of Icahn Enterprises Holdings. Accordingly, as affiliates of Mr. Icahn hold in excess of 50% of the depositary units outstanding, Mr. Icahn, through affiliates, will have effective control over such approval rights.

The following table provides information, as of February 26, 2021, as to the beneficial ownership of the depositary units for each director of Icahn Enterprises GP and all directors and executive officers of Icahn Enterprises GP, as a group. Except for Mr. Icahn, none of our named executive officers, directors or other unitholders beneficially own more than 5% of Icahn Enterprises’ depositary units.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ |
| **​** |  | **Beneficial Ownership of** |  | **​** |  |
| **​** | **​** | **Icahn Enterprises’** | **​** | **​** |  |
| **Name of Beneficial Owner** | **​** | **Depositary Units** | **​** | **Percent of Class** |  |
| Carl C. Icahn |  | 221,749,462 | (a) (b) | 91.9 | % |
| Keith Cozza |  | 2,000 |  | \* | ​ |
| SungHwan Cho |  | 1,100 |  | \* | ​ |
| Ted Papapostolou |  | — |  | — | % |
| Brett Icahn |  | 442,012 |  | \* | ​ |
| Michael Nevin |  | — |  | — | % |
| Denise Barton |  | — |  | — | % |
| Alvin B. Krongard |  | 36,008 |  | \* | ​ |
| Stephen A. Mongillo |  | — |  | — | % |
| All Directors and Executive Officers as a Group (nine persons) |  | 222,230,582 |  | 92.1 | % |

|  |  |
| --- | --- |
| \* | Less than 1% of total outstanding depositary units of Icahn Enterprises. |

|  |  |
| --- | --- |
| (a) | The foregoing is exclusive of a 1.99% ownership interest which Icahn Enterprises GP holds by virtue of its 1% general partner interest in each of us and Icahn Enterprises Holdings. |

|  |  |
| --- | --- |
| (b) | Based on a Schedule 13D/A filed with the SEC on December 30, 2020 by CCI Onshore LLC, Gascon Partners, High Coast Limited Partnership, Highcrest Investors LLC, Thornwood Associates Limited Partnership, Barberry Corp., Starfire Holding Corporation and Little Meadow Corp. Mr. Icahn, by virtue of his relationship to such entities, may be deemed to beneficially own such Depositary Units. Mr. Icahn disclaims beneficial ownership of such Depositary Units except to the extent of his pecuniary interest therein. |

138

[Table of Contents](#TOC)

***Securities Authorized for Issuance Under Equity Compensation Plans***

During the first quarter of 2017, the board of directors of the general partner of Icahn Enterprises unanimously approved and adopted the 2017 Incentive Plan, which became effective during the first quarter of 2017 subject to the approval by holders of a majority of Icahn Enterprises depositary units. The 2017 Incentive Plan permits us to issue depositary units and grant options, restricted units or other unit-based awards to all of our, and our affiliates’, employees, consultants, members and partners, as well as the three non-employee directors of our general partner. One million of Icahn Enterprises’ depositary units were initially available under the 2017 Incentive Plan. As of December 31, 2020, there were no securities to be issued upon the exercise of outstanding options, warrants or rights. The number of securities remaining available for future issuance under the 2017 Incentive Plan as of December 31, 2020 is 949,999 of Icahn Enterprises’ depositary units.

**Item 13. Certain Relationships and Related Transactions, and Director Independence**

**Related Party Transaction Policy**

Our second amended and restated agreement of limited partnership expressly permits us to enter into transactions with our general partner or any of its affiliates, including, without limitation, buying or selling properties from or to our general partner and any of its affiliates and borrowing and lending money from or to our general partner and any of its affiliates, subject to the limitations contained in our partnership agreement and the Delaware Revised Uniform Limited Partnership Act. The indentures governing our indebtedness contain certain covenants applicable to transactions with affiliates.

**Related Party Transactions with Our General Partner and Its Affiliates**

Mr. Icahn, in his capacity as majority unitholder, will not receive any additional benefit with respect to distributions and allocations of profits and losses not shared on a pro rata basis by all other unitholders. In addition, Mr. Icahn has confirmed to us that neither he nor any of his affiliates will receive any fees from us in consideration for services rendered in connection with investments by us other than as otherwise disclosed herein. We have, and in the future may determine to make, investments in entities in which Mr. Icahn or his affiliates also have investments. We may enter into other transactions with Mr. Icahn and his affiliates, including, without limitation, buying and selling assets from or to affiliates of Mr. Icahn and participating in joint venture investments in assets with affiliates of Mr. Icahn. Furthermore, it should be noted that our partnership agreement provides that Icahn Enterprises GP and its affiliates are permitted to have other business interests and may engage in other business ventures of any nature whatsoever, and may compete directly or indirectly with our business. Mr. Icahn and his affiliates currently invest in assets that may be similar to those in which we may invest, and Mr. Icahn and his affiliates intend to continue to do so. Pursuant to the partnership agreement, however, we will not have any right to participate therein or receive or share in any income or profits derived therefrom.

During 2020, we declared four quarterly distributions aggregating $8.00 per depositary unit. Depositary unitholders were given the option to make an election to receive the distributions in either cash or additional depositary units; if a holder did not make an election, it was automatically deemed to have elected to receive the distributions in cash. As a result of the above declared distributions, during 2020 we distributed an aggregate 25,352,178 of Icahn Enterprises’ depositary units to those depositary unitholders who elected to receive such distributions in additional depositary units, of which an aggregate of 24,902,568 depositary units were distributed to Mr. Icahn and his affiliates. In connection with these distributions, aggregate cash distributions to all depositary unitholders was $516 million, of which $422 million relates to the distribution declared in the first quarter of 2020. Mr. Icahn and his affiliates have historically elected to receive their distributions in additional units; however, in the first quarter of 2020, they received their distribution in cash. For the distributions declared in the second, third and fourth quarters of 2020, Mr. Icahn and his affiliates elected to receive their distributions in additional units and cash distributions paid to other depositary unitholders was $30 million, $31 million and $33 million, respectively. As a result, Mr. Icahn and his affiliates owned approximately 92% of Icahn Enterprises’ outstanding depositary units as of December 31, 2020. Mr. Icahn and his affiliates may in the future elect to receive all or a portion of their distributions in cash or in additional depositary units. Pursuant to registration rights agreements, Mr. Icahn has certain registration rights with regard to the depositary units beneficially owned by him.

139

[Table of Contents](#TOC)

On February 24, 2021, the Board of Directors of the general partner of Icahn Enterprises declared a quarterly distribution in the amount of $2.00 per depositary unit, which will be paid on or about April 28, 2021 to depositary unitholders of record at the close of business on March 26, 2021. Depositary unitholders will have until April 16, 2021 to make an election to receive either cash or additional depositary units; if a holder does not make an election, it will automatically be deemed to have elected to receive the distribution in additional depositary units.

We may, on occasion, invest in securities in which entities affiliated with Mr. Icahn are also investing. Additionally, Mr. Icahn and his affiliated entities may also invest in securities in which Icahn Enterprises and its consolidated subsidiaries invest. Mr. Icahn and his affiliates (excluding Icahn Enterprises and Icahn Enterprises Holdings), make investments in the Investment Funds. During 2020, Mr. Icahn and his affiliates (excluding us) contributed $1,241 million to the Investment Funds consisting primarily of in-kind investments previously held directly by Mr. Icahn and his affiliates (excluding us). As of December 31, 2020, the total fair market value of investments in the Investment Funds made by Mr. Icahn and his affiliates (excluding Icahn Enterprises and Icahn Enterprises Holdings) was approximately $5.0 billion, representing approximately 54% of the Investment Funds’ assets under management.

**Other Related Party Transactions**

Icahn Capital LP, a wholly-owned subsidiary of ours, paid for salaries and benefits of certain employees who may also perform various functions on behalf of certain other entities beneficially owned by Mr. Icahn, including administrative and investment services.

Icahn Capital LP pays for expenses pertaining to the operation, administration and investment activities of our Investment segment for the benefit of the Investment Funds (including salaries, benefits and rent). Icahn Capital LP shall be allocated pro rata for such expenses in accordance with each investor’s capital accounts in the Investment Funds. Effective April 1, 2011, based on an expense-sharing arrangement, certain expenses borne by Icahn Capital LP are reimbursed by the Investment Funds, generally when such expenses are paid. During 2020, $2 million was allocated to the Investment Funds based on this expense-sharing arrangement.

We and affiliates of Mr. Icahn had a significant non-controlling ownership interest in Hertz. During 2020, we and our subsidiaries had revenue from Hertz in the ordinary course of business of $20 million.

In addition to our transactions with Hertz disclosed above, in January 2018, we entered into a Master Motor Vehicle Lease and Management Agreement with Hertz, pursuant to which Hertz granted 767 Leasing the option to acquire certain vehicles from Hertz at rates aligned with the rates at which Hertz sells vehicles to third parties. Under this agreement, as amended, Hertz will lease the vehicles that 767 Leasing purchases from Hertz, or from third parties, under a mutually developed fleet plan and Hertz will manage, service, repair, sell and maintain those leased vehicles on behalf of 767 Leasing. Additionally, Hertz will rent the leased vehicles to transportation network company drivers from rental counters within locations leased or owned by us. This agreement had an initial term of 18 months and is subject to automatic six-month renewals thereafter, unless terminated by either party (with or without cause) prior to the start of any such six-month renewal. Our agreement with Hertz was unanimously approved by the independent directors of Icahn Enterprises’ audit committee. Due to the nature of our involvement with 767 Leasing, which includes Icahn Enterprises and Icahn Enterprises Holdings guaranteeing the payment obligations of 767 Leasing and sharing in the profits of 767 Leasing with Hertz, we determined that 767 Leasing is a variable interest entity. Furthermore, we determined that we are not the primary beneficiary as we do not have the power to direct the activities of 767 Leasing that most significantly impact its economic performance. Therefore, we do not consolidate the results of 767 Leasing. 767 Leasing is treated as a partnership for federal income tax purposes. For the year ended December 31, 2020, 767 Leasing distributed $75 million to us. As of December 31, 2020, we had an equity method investment in 767 Leasing of $40 million.

On October 1, 2020, we entered into a manager agreement with Brett Icahn, the son of Carl C. Icahn, and affiliates of Brett Icahn. Under the manager agreement, Brett Icahn will serve as the portfolio manager of a designated portfolio of assets within the Investment Funds over a seven-year term, subject to veto rights by our Investment segment and Carl. C. Icahn. Additionally, Brett Icahn will provide certain other services, at our request, which may entail research, analysis and advice with respect to a separate designated portfolio of assets within the Investment Funds. Subject to the terms of

140

[Table of Contents](#TOC)

the manager agreement, at the end of the seven-year term, Brett Icahn will be entitled to receive a one-time lump sum payment as described in and computed pursuant to the agreement. Brett Icahn will not be entitled to receive from us any other compensation (including any salary or bonus) in respect of the services he is to provide under the manager agreement other than restricted depositary units granted under a restricted unit agreement, as discussed below. In accordance with the manager agreement, Brett Icahn will co-invest with the Investment Funds in certain positions, will make cash contributions to the Investment Funds in order to fund such co-investments and will have a special limited partnership interest in the Investment Funds through which the profit and loss attributable to such co-investments will be allocated to him. During 2020, Brett Icahn contributed $12 million in accordance with the manager agreement.

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

We may also enter into other transactions with Icahn Enterprises GP and its affiliates, including, without limitation, buying and selling properties and borrowing and lending funds from or to Icahn Enterprises GP or its affiliates, joint venture developments and issuing securities to Icahn Enterprises GP or its affiliates in exchange for, among other things, assets that they now own or may acquire in the future. Icahn Enterprises GP is also entitled to reimbursement by us for all allocable direct and indirect overhead expenses, including, but not limited to, salaries and rent, incurred in connection with the conduct of our business.

**Affiliate Pension Obligations**

Mr. Icahn, through certain affiliates, owns 100% of Icahn Enterprises GP and approximately 92% of Icahn Enterprises’ outstanding depositary units as of December 31, 2020. Applicable pension and tax laws make each member of a “controlled group” of entities, generally defined as entities in which there is at least an 80% common ownership interest, jointly and severally liable for certain pension plan obligations of any member of the controlled group. These pension obligations include ongoing contributions to fund the plan, as well as liability for any unfunded liabilities that may exist at the time the plan is terminated. In addition, the failure to pay these pension obligations when due may result in the creation of liens in favor of the pension plan or the Pension Benefit Guaranty Corporation (the “PBGC”) against the assets of each member of the controlled group.

As a result of the more than 80% ownership interest in us by Mr. Icahn’s affiliates, we and our subsidiaries are subject to the pension liabilities of entities in which Mr. Icahn has a direct or indirect ownership interest of at least 80%, which includes the liabilities of pension plans sponsored by Viskase and ACF. All the minimum funding requirements of the Internal Revenue Code, as amended, and the Employee Retirement Income Security Act of 1974, as amended, for the Viskase and ACF plans have been met as of December 31, 2020. If the plans were voluntarily terminated, they would be underfunded by an aggregate of approximately $122 million as of December 31, 2020. These results are based on the most recent information provided by the plans’ actuaries. These liabilities could increase or decrease, depending on a number of factors, including future changes in benefits, investment returns, and the assumptions used to calculate the liability. As members of the controlled group, we would be liable for any failure of Viskase or ACF to make ongoing pension contributions or to pay the unfunded liabilities upon a termination of the Viskase or ACF pension plans. In addition, other entities now or in the future within the controlled group in which we are included may have pension plan obligations that are, or may become, underfunded and we would be liable for any failure of such entities to make ongoing pension contributions or to pay the unfunded liabilities upon termination of such plans.

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

Starfire Holding Corporation (“Starfire”), which is 99.6% owned by Mr. Icahn, has undertaken to indemnify us and our subsidiaries from losses resulting from any imposition of certain pension funding or termination liabilities that may

141

[Table of Contents](#TOC)

be imposed on us and our subsidiaries or our assets as a result of being a member of the Icahn controlled group. The Starfire indemnity provides, among other things, that so long as such contingent liabilities exist and could be imposed on us, Starfire will not make any distributions to its stockholders that would reduce its net worth to below $250 million. Nonetheless, Starfire may not be able to fund its indemnification obligations to us.

**Director Independence**

The board of directors of Icahn Enterprises GP has determined that we are a “controlled company” for the purposes of the Nasdaq’s listing rules and therefore are not required to have a majority of independent directors or to have compensation and nominating committees consisting entirely of independent directors. Nevertheless, we believe that Ms. Barton and Messrs. Krongard and Mongillo are “independent” as defined in the currently applicable listing rules of Nasdaq. Ms. Barton and Messrs. Krongard and Mongillo serve as members of our audit committee, which consists entirely of these independent directors.

**Item 14. Principal Accountant Fees and Services**

We incurred $6,074,688 and $6,190,955 in audit fees and expenses from Grant Thornton LLP for 2020 and 2019, respectively. We include in the category of audit fees such services related to the audits of annual consolidated financial statements and internal controls, reviews of quarterly financial statements, reviews of reports filed with the SEC and other services, including services related to consents and registration statements filed with the SEC.

We incurred $259,491 and $260,176 in audit-related fees and expenses from Grant Thornton LLP for 2020 and 2019, respectively, relating primarily to services provided in connection with employee benefit plans and certain other agreed upon procedures.

We incurred $22,236 in tax-related fees and expenses for 2020 from Grant Thornton LLP for property tax compliance services and we did not incur any tax-related fees and expenses for 2019. Additionally, we incurred $14,155 in other fees and expenses for 2020 from Grant Thornton LLP relating to our Energy segment’s call option and we did not incur any other fees and expenses for 2019.

In accordance with the Charter of the Audit Committee of the Board of Directors of Icahn Enterprises GP, the general partner of Icahn Enterprises and Icahn Enterprises Holdings, the audit committee is required to approve in advance any and all audit services and permitted non-audit services provided to Icahn Enterprises, Icahn Enterprises Holdings and their consolidated subsidiaries by their independent auditors (subject to the de minimis exception of Section 10A (i) (1) (B) of the ‘34 Act), all as required by applicable law or listing standards. All of the fees in 2020 and 2019 were pre-approved by the audit committee.

​

142

[Table of Contents](#TOC)

**PART IV**

**​**

**Item 15. Exhibits and Financial Statement Schedules**

**(a)(1) Financial Statements:**

The following financial statements of Icahn Enterprises L.P., and subsidiaries, are included in Part II, Item 8 of this Report:

|  |  |
| --- | --- |
| ​ | ​ |
| ​ | **Page Number** |
| [Consolidated Balance Sheets](#BALANCESHEETS_124396) | 59 |
| [Consolidated Statements of Operations](#STATEMENTSOFOPERATIONS_770807) | 60 |
| [Consolidated Statements of Comprehensive Income](#COMPREHENSIVEINCOMELOSS_916205) | 61 |
| [Consolidated Statement of Changes in Equity](#CHANGESINEQUITY_806278) | 62 |
| [Consolidated Statements of Cash Flows](#CASHFLOWS_636712) | 63 |
| [Notes to Consolidated Financial Statements](#a1DescriptionofBusiness_452019) | 69 |

​

The following financial statements of Icahn Enterprises Holdings L.P., and subsidiaries, are included in Part II, Item 8 of this Report:

|  |  |
| --- | --- |
| ​ | ​ |
| ​ | **Page Number** |
| [Consolidated Balance Sheets](#CONSOLIDATEDBALANCESHEETS_658437) | 64 |
| [Consolidated Statements of Operations](#CONSOLIDATEDSTATEMENTSOFOPERATIONS_3607) | 65 |
| [Consolidated Statements of Comprehensive Income](#CONSOLIDATEDSTATEMENTSOFCOMPREHENSIVEIN) | 66 |
| [Consolidated Statement of Changes in Equity](#CONSOLIDATEDSTATEMENTOFCHANGESINEQUITY_) | 67 |
| [Consolidated Statements of Cash Flows](#CONSOLIDATEDSTATEMENTSOFCASHFLOWS_84524) | 68 |
| [Notes to Consolidated Financial Statements](#a1DescriptionofBusiness_452019) | 69 |

​

**(a)(2) Financial Statement Schedules:**

|  |  |
| --- | --- |
| ​ | ​ |
| ​ | **Page Number** |
| [Schedule I - Condensed Financial Information of Parent (Icahn Enterprises L.P.)](#ICAHNENTERPRISESLP_903054) | 144 |
| [Schedule I - Condensed Financial Information of Parent (Icahn Enterprises Holdings L.P.)](#ICAHNENTERPRISESHOLDINGSLP_743455) | 148 |

​

All other financial statement schedules have been omitted because the required financial information is not applicable, immaterial or the information is shown in the consolidated financial statements or notes thereto.

**(a)(3) Exhibits:**

The list of exhibits required by Item 601 of Regulation S-K and filed as part of this Report is set forth in the Exhibit Index.

**Item 16. Form 10-K Summary**

None.

​

143

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES, L.P.**

**(Parent Company)**

**CONDENSED BALANCE SHEETS**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **​** | ​ | **December 31,** | | | | |
| **​** |  | **2020** | |  | **2019** | |
|  | | | | | | |
| **​** | ​ | (In millions, except unit amounts) | | | | |
| **ASSETS** | ​ | ​ |  | ​ | ​ |  |
| Investments in subsidiaries, net | ​ | $ | 9,273 | ​ | $ | 11,853 |
| **Total Assets** | ​ | $ | 9,273 | ​ | $ | 11,853 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **LIABILITIES AND EQUITY** | ​ |  |  | ​ |  |  |
| Accrued expenses and other liabilities | ​ | $ | 80 | ​ | $ | 100 |
| Debt | ​ |  | 5,811 | ​ |  | 6,297 |
| ​ | ​ |  | 5,891 | ​ |  | 6,397 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Commitments and contingencies (Note 3) | ​ |  |  | ​ |  |  |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Equity: | ​ |  |  | ​ |  |  |
| Limited partners: Depositary units: 241,338,835 units issued and outstanding at December 31, 2020 and 214,078,558 units issued and outstanding at December 31, 2019 | ​ |  | 4,235 | ​ |  | 6,268 |
| General partner | ​ |  | (853) | ​ |  | (812) |
| Total equity | ​ |  | 3,382 | ​ |  | 5,456 |
| **Total Liabilities and Equity** | ​ | $ | 9,273 | ​ | $ | 11,853 |

​

*See notes to condensed financial statements.*

**​**

144

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES, L.P.**

**(Parent Company)**

**CONDENSED STATEMENTS OF OPERATIONS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (In millions) | | | | | | | |
| Interest expense | ​ | $ | (342) | ​ | $ | (350) | ​ | $ | (337) |
| Gain (loss) on extinguishment of debt | ​ |  | (4) | ​ |  | 2 | ​ |  | — |
| Equity in (loss) income of subsidiaries | ​ |  | (1,307) | ​ |  | (750) | ​ |  | 1,819 |
| Net (loss) income | ​ | $ | (1,653) | ​ | $ | (1,098) | ​ | $ | 1,482 |
| Net (loss) income allocated to: | ​ |  |  | ​ |  |  | ​ |  |  |
| Limited partners | ​ | $ | (1,620) | ​ | $ | (1,076) | ​ | $ | 2,039 |
| General partner | ​ |  | (33) | ​ |  | (22) | ​ |  | (557) |
| ​ | ​ | $ | (1,653) | ​ | $ | (1,098) | ​ | $ | 1,482 |

​

*See notes to condensed financial statements.*

**​**

145

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES, L.P.**

**(Parent Company)**

**CONDENSED STATEMENTS OF CASH FLOWS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (In millions) | | | | | | | |
| **Cash flows from operating activities:** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net (loss) income | ​ | $ | (1,653) | ​ | $ | (1,098) | ​ | $ | 1,482 |
| Adjustments to reconcile net (loss) income to net cash used in operating activities: | ​ |  |  | ​ |  |  | ​ |  |  |
| Equity in loss (income) of subsidiary | ​ |  | 1,307 | ​ |  | 750 | ​ |  | (1,819) |
| Loss (gain) on extinguishment of debt | ​ |  | 4 | ​ |  | (2) | ​ |  | — |
| Other, net | ​ |  | (23) | ​ |  | (25) | ​ |  | 1 |
| Net cash used in operating activities | ​ |  | (365) | ​ |  | (375) | ​ |  | (336) |
| **Cash flows from investing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Net investment in and advances from subsidiaries | ​ |  | 1,276 | ​ |  | (363) | ​ |  | 433 |
| Net cash provided by (used in) investing activities | ​ |  | 1,276 | ​ |  | (363) | ​ |  | 433 |
| **Cash flows from financing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Partnership distributions | ​ |  | (526) | ​ |  | (112) | ​ |  | (97) |
| Partnership contributions | ​ |  | 102 | ​ |  | 55 | ​ |  | — |
| Proceeds from borrowings | ​ |  | 866 | ​ |  | 2,507 | ​ |  | — |
| Repayments of borrowings | ​ |  | (1,350) | ​ |  | (1,700) | ​ |  | — |
| Debt issuance costs and other | ​ |  | (3) | ​ |  | (12) | ​ |  | — |
| Net cash (used in) provided by financing activities | ​ |  | (911) | ​ |  | 738 | ​ |  | (97) |
| **Net change in cash and cash equivalents and restricted cash and restricted cash equivalents** | ​ |  | — | ​ |  | — | ​ |  | — |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, beginning of period | ​ |  | — | ​ |  | — | ​ |  | — |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, end of period | ​ | $ | — | ​ | $ | — | ​ | $ | — |

​

*See notes to condensed financial statements.*

**​**

146

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES L.P.**

**(Parent Company)**

**NOTES TO CONDENSED FINANCIAL STATEMENTS**

**1. Description of Business and Basis of Presentation**

Icahn Enterprises, L.P. (“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. (“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., our sole general partner, which is owned and controlled by 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 December 31, 2020, Icahn Enterprises is engaged in the following continuing operating businesses: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate, Home Fashion and, as of December 2020, Pharma.

For the years ended December 31, 2020, 2019 and 2018, Icahn Enterprises received (paid) $1,276 million, $(363) million and $433 million, respectively, for net investment in and advances from subsidiaries.

The condensed financial statements of Icahn Enterprises should be read in conjunction with the consolidated financial statements and notes thereto included in Item 8 of this Report.

**2. Debt**

See Note 11, “Debt,” to the consolidated financial statements located in Item 8 of this Report. Icahn Enterprises’ Parent company debt consists of the following:

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| 5.875% senior unsecured notes due 2022 | ​ | $ | — | ​ | $ | 1,345 |
| 6.250% senior unsecured notes due 2022 | ​ |  | 1,209 | ​ |  | 1,211 |
| 6.750% senior unsecured notes due 2024 | ​ |  | 499 | ​ |  | 498 |
| 4.750% senior unsecured notes due 2024 | ​ |  | 1,106 | ​ |  | 498 |
| 6.375% senior unsecured notes due 2025 | ​ |  | 748 | ​ |  | 748 |
| 6.250% senior unsecured notes due 2026 | ​ |  | 1,250 | ​ |  | 1,250 |
| 5.250% senior unsecured notes due 2027 | ​ |  | 999 | ​ |  | 747 |
| Total debt | ​ | $ | 5,811 | ​ | $ | 6,297 |

​

**3. Commitments and Contingencies**

See Note 18, “Commitments and Contingencies,” to the consolidated financial statements.

​

147

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES HOLDINGS L.P.**

**(Parent Company)**

**​**

**CONDENSED BALANCE SHEETS**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **​** | ​ | **December 31,** | | | | |
| **​** |  | **2020** | |  | **2019** | |
|  | | | | | | |
| **​** | ​ | (in millions) | | | | |
| **ASSETS** | ​ | ​ |  | ​ | ​ |  |
| Cash and cash equivalents | ​ | $ | 868 | ​ | $ | 1,042 |
| Restricted cash | ​ |  | 11 | ​ |  | 7 |
| Investments | ​ |  | 260 | ​ |  | 346 |
| Investments in subsidiaries, net | ​ |  | 8,148 | ​ |  | 10,474 |
| **Total Assets** | ​ | $ | 9,287 | ​ | $ | 11,869 |
| **LIABILITIES AND EQUITY** | ​ |  |  | ​ |  |  |
| Accounts payable, accrued expenses and other liabilities | ​ | $ | 94 | ​ | $ | 116 |
| Debt | ​ |  | 5,813 | ​ |  | 6,300 |
| ​ | ​ |  | 5,907 | ​ |  | 6,416 |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Commitments and contingencies (Note 3) | ​ |  |  | ​ |  |  |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Equity: | ​ |  |  | ​ |  |  |
| Limited partner | ​ |  | 4,276 | ​ |  | 6,328 |
| General partner | ​ |  | (896) | ​ |  | (875) |
| Total equity | ​ |  | 3,380 | ​ |  | 5,453 |
| **Total Liabilities and Equity** | ​ | $ | 9,287 | ​ | $ | 11,869 |

​

*See notes to condensed financial statements.*

**​**

148

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES HOLDINGS L.P.**

**(Parent Company)**

**​**

**CONDENSED STATEMENTS OF OPERATIONS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **Year Ended December 31,** | | | | | | | |
| ​ |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| ​ | ​ | (in millions) | | | | | | | |
| Interest and dividend income | ​ | $ | 1 | ​ | $ | 14 | ​ | $ | 7 |
| Net (loss) gain from investment activities | ​ |  | (66) | ​ |  | (377) | ​ |  | (389) |
| Gain on disposition of assets | ​ |  | 7 | ​ |  | 2 | ​ |  | 23 |
| Equity in (loss) income of subsidiaries | ​ |  | (1,237) | ​ |  | (363) | ​ |  | 2,200 |
| Other income, net | ​ |  | 7 | ​ |  | — | ​ |  | 4 |
| ​ | ​ |  | (1,288) | ​ |  | (724) | ​ |  | 1,845 |
| Other expenses from operations | ​ | ​ | 2 | ​ | ​ | — | ​ | ​ | — |
| Interest expense | ​ |  | 341 | ​ |  | 350 | ​ |  | 337 |
| Selling, general and administrative | ​ |  | 21 | ​ |  | 23 | ​ |  | 25 |
| ​ | ​ |  | 364 | ​ |  | 373 | ​ |  | 362 |
| Net (loss) income | ​ | $ | (1,652) | ​ | $ | (1,097) | ​ | $ | 1,483 |
| Net (loss) income allocated to: | ​ |  |  | ​ |  |  | ​ |  |  |
| Limited partner | ​ | $ | (1,635) | ​ | $ | (1,086) | ​ | $ | 2,060 |
| General partner | ​ |  | (17) | ​ |  | (11) | ​ |  | (577) |
| ​ | ​ | $ | (1,652) | ​ | $ | (1,097) | ​ | $ | 1,483 |

​

*See notes to condensed financial statements.*

**​**

149

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES HOLDINGS L.P.**

**(Parent Company)**

**​**

**CONDENSED STATEMENTS OF CASH FLOWS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| **​** | ​ | **Year Ended December 31,** | | | | | | | |
| **​** |  | **2020** | |  | **2019** | |  | **2018** | |
|  | | | | | | | | | |
| **​** | ​ | (in millions) | | | | | | | |
| **Cash flows from operating activities:** | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| Net (loss) income | ​ | $ | (1,652) | ​ | $ | (1,097) | ​ | $ | 1,483 |
| Adjustments to reconcile net (loss) income to net cash used in operating activities: | ​ |  |  | ​ |  |  | ​ |  |  |
| Equity in loss (income) of subsidiary | ​ |  | 1,237 | ​ |  | 363 | ​ |  | (2,200) |
| (Gain) loss on disposition of assets | ​ |  | (7) | ​ |  | (2) | ​ |  | (23) |
| Investment gains | ​ |  | 63 | ​ |  | 377 | ​ |  | 389 |
| Other, net | ​ |  | — | ​ |  | (1) | ​ |  | — |
| Change in operating assets and liabilities | ​ |  | (23) | ​ |  | 45 | ​ |  | 8 |
| Net cash used in operating activities | ​ |  | (382) | ​ |  | (315) | ​ |  | (343) |
| **Cash flows from investing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Net advances from subsidiaries | ​ |  | 1,093 | ​ |  | 567 | ​ |  | 238 |
| Net proceeds from the disposition of fixed assets | ​ | ​ | 7 | ​ | ​ | — | ​ | ​ | — |
| Other, net | ​ |  | 23 | ​ |  | — | ​ |  | 41 |
| Net cash provided by investing activities | ​ |  | 1,123 | ​ |  | 567 | ​ |  | 279 |
| **Cash flows from financing activities:** | ​ |  |  | ​ |  |  | ​ |  |  |
| Partnership distributions | ​ |  | (526) | ​ |  | (112) | ​ |  | (97) |
| Partner contributions | ​ |  | 102 | ​ |  | 55 | ​ |  | — |
| Proceeds from borrowings | ​ |  | 866 | ​ |  | 2,507 | ​ |  | — |
| Repayments of borrowings | ​ |  | (1,350) | ​ |  | (1,700) | ​ |  | (21) |
| Debt issuance costs | ​ |  | (3) | ​ |  | (12) | ​ |  | — |
| Net cash provided by (used in) financing activities | ​ |  | (911) | ​ |  | 738 | ​ |  | (118) |
| **Net change in cash and cash equivalents and restricted cash and restricted cash equivalents** | ​ |  | (170) | ​ |  | 990 | ​ |  | (182) |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, beginning of period | ​ |  | 1,049 | ​ |  | 59 | ​ |  | 241 |
| Cash and cash equivalents and restricted cash and restricted cash equivalents, end of period | ​ | $ | 879 | ​ | $ | 1,049 | ​ | $ | 59 |

​

*See notes to condensed financial statements.*

**​**

150

[Table of Contents](#TOC)

**SCHEDULE I**

**ICAHN ENTERPRISES HOLDINGS L.P.**

**(Parent Company)**

**NOTES TO CONDENSED FINANCIAL STATEMENTS**

**1. Description of Business and Basis of Presentation**

Icahn Enterprises Holdings L.P. (“Icahn Enterprises Holdings”) is a limited partnership formed in Delaware on February 17, 1987. Our sole limited partner is Icahn Enterprises L.P., a master limited partnership which owns a 99% interest in us. Icahn Enterprises G.P. Inc., our sole 1% general partner, is a Delaware corporation which is owned and controlled by Carl C. Icahn. As of December 31, 2020, Icahn Enterprises Holdings is engaged in the following continuing operating businesses: Investment, Energy, Automotive, Food Packaging, Metals, Real Estate, Home Fashion and, as of December 2020, Pharma.

For the years ended December 31, 2020, 2019 and 2018, Icahn Enterprises Holdings received $1,093 million, $567 million and $238 million, respectively, for net advances from subsidiaries.

The condensed financial statements of Icahn Enterprises Holdings should be read in conjunction with the consolidated financial statements and notes thereto included in Item 8 of this Report.

**2. Debt**

See Note 11, “Debt,” to the consolidated financial statements located in Item 8 of this Report. Icahn Enterprises Holdings’ Parent company debt consists of the following:

​

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| ​ | ​ | ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | **December 31,** | | | | |
| ​ |  | **2020** | |  | **2019** | |
|  | | | | | | |
| ​ | ​ | (in millions) | | | | |
| 5.875% senior unsecured notes due 2022 | ​ | $ | — | ​ | $ | 1,345 |
| 6.250% senior unsecured notes due 2022 | ​ |  | 1,208 | ​ |  | 1,211 |
| 6.750% senior unsecured notes due 2024 | ​ |  | 500 | ​ |  | 499 |
| 4.750% senior unsecured notes due 2024 | ​ |  | 1,107 | ​ |  | 499 |
| 6.375% senior unsecured notes due 2025 | ​ |  | 749 | ​ |  | 749 |
| 6.250% senior unsecured notes due 2026 | ​ |  | 1,250 | ​ |  | 1,250 |
| 5.250% senior unsecured notes due 2027 | ​ |  | 999 | ​ |  | 747 |
| Total debt | ​ | $ | 5,813 | ​ | $ | 6,300 |

​

**3. Commitments and Contingencies**

See Note 18, “Commitments and Contingencies,” to the consolidated financial statements.

​

151

[Table of Contents](#TOC)

​

**EXHIBIT INDEX**

|  |  |  |
| --- | --- | --- |
| ​ | ​ | ​ |
| **Exhibit No.** |  | **Description** |
| 2.1 | ​ | [Agreement and Plan of Merger, dated as of September 6, 2016, by and among Federal Mogul Holdings Corporation, American Entertainment Properties Corp. and IEH FM Holdings LLC (incorporated by reference to Exhibit 2.1 to Icahn Enterprises’ Form 8-K (SEC File No. 1-9516), filed on September 7, 2016).](https://www.sec.gov/Archives/edgar/data/813762/000110465916143329/a16-17984_1ex2d1.htm) |
| 2.2 | ​ | [Equity Asset and Purchase Agreement, dated as of December 16, 2016, by and among American Railcar Leasing LLC, American Entertainment Properties Corp., AEP Rail Corp., SMBC Rail Services LLC and Sumitomo Mitsui Banking Corporation (incorporated by reference to Exhibit 2.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on December 19, 2016)](https://www.sec.gov/Archives/edgar/data/813762/000114420416140174/v449727_ex2-1.htm). |
| 2.3 | ​ | [Membership Interest Purchase Agreement, dated April 10, 2018, by and among Tenneco Inc., Federal-Mogul LLC, American Entertainment Properties Corp., and Icahn Enterprises L.P. (incorporated by reference to Exhibit 2.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively) file April 10, 2018)](https://www.sec.gov/Archives/edgar/data/813762/000119312518112277/d554615dex21.htm). |
| 2.4 | ​ | [Agreement and Plan of Merger, dated April 15, 2018, by and among Eldorado Resorts, Inc., Delta Merger Sub, Inc., GLP Capital, L.P. and Tropicana Entertainment Inc. (incorporated by reference to Exhibit 2.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively) file April 16, 2018)](https://www.sec.gov/Archives/edgar/data/813762/000110465918024062/a18-11003_1ex2d1.htm). |
| 2.5 | ​ | [Agreement and Plan of Merger, dated as of October 22, 2018, by and between STL Parent Corp. and American Railcar Industries, Inc. (incorporated by reference to Exhibit 2.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively) file October 22, 2018)](https://www.sec.gov/Archives/edgar/data/813762/000114036118040981/s002486x3_ex2-1.htm). |
| 3.1 |  | [Certificate of Limited Partnership of Icahn Enterprises L.P., f/k/a American Real Estate Partners, L.P. (“Icahn Enterprises”) dated February 17, 1987, as thereafter amended from time to time (incorporated by reference to Exhibit 3.1 to Icahn Enterprises’ Form 8-K (SEC File No. 1-9516), filed on September 20, 2007)](https://www.sec.gov/Archives/edgar/data/813762/000114420407050385/v088216_ex3-1.htm). |
| 3.2 |  | [Certificate of Limited Partnership of Icahn Enterprises Holdings L.P., f/k/a American Real Estate Holdings Limited Partnership (“Icahn Enterprises Holdings”), dated February 17, 1987, as amended pursuant to the First Amendment thereto, dated March 10, 1987 (incorporated by reference to Exhibit 3.5 to Icahn Enterprises’ Form 10-Q for the quarter ended March 31, 2004 (SEC File No. 1-9516), filed on May 10, 2004, as further amended pursuant to the Certificate of Amendment thereto, dated September 17, 2007 (incorporated by reference to Exhibit 3.9 to Icahn Enterprises’ Form 10-K for the year ended December 31, 2007 (SEC File No. 1-9516), filed on March 17, 2008)](https://www.sec.gov/Archives/edgar/data/813762/000114420408015862/v106776_ex3-9.htm). |
| 3.3 | ​ | [Second Amended and Restated Agreement of Limited Partnership of Icahn Enterprises L.P., dated August 2, 2016 (incorporated by reference to Exhibit 3.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 10-Q for the quarterly period ended June 30, 2016 (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on August 4, 2016)](https://www.sec.gov/Archives/edgar/data/813762/000081376216000089/iep-ex31_amendedandrestate.htm). |
| 3.4 |  | [Amended and Restated Agreement of Limited Partnership of Icahn Enterprises Holdings, dated as of July 1, 1987 (incorporated by reference to Exhibit 3.5 to Icahn Enterprises’ Form 10-Q for the quarter ended March 31, 2004 (SEC File No. 1-9516), filed on May 10, 2004)](https://www.sec.gov/Archives/edgar/data/813762/000095012304006078/y97041exv3w5.txt). |
| 3.5 | ​ | [Amendment No. 1 to the Amended and Restated Agreement of Limited Partnership of Icahn Enterprises Holdings, dated August 16, 1996 (incorporated by reference to Exhibit 10.2 to Icahn Enterprises’ Form 8-K (SEC File No. 1-9516), filed on August 16, 1996)](https://www.sec.gov/Archives/edgar/data/813762/0000897204-96-000093.txt). |
| 3.6 | ​ | [Amendment No. 2 to the Amended and Restated Agreement of Limited Partnership of Icahn Enterprises Holdings, dated June 14, 2002 (incorporated by reference to Exhibit 3.9 to Icahn Enterprises’ Form 10-K for the year ended December 31, 2002 (SEC File No. 1-9516), filed on March 31, 2003)](https://www.sec.gov/Archives/edgar/data/813762/000095011703001233/ex3-9.txt). |
| 3.7 | ​ | [Amendment No. 3 to the Amended and Restated Agreement of Limited Partnership of Icahn Enterprises Holdings, dated June 29, 2005 (incorporated by reference to Exhibit 3.2 to Icahn Enterprises’ Form 10-Q for the quarter ended June 30, 2005 (SEC File No. 1-9516), filed on August 9, 2005)](https://www.sec.gov/Archives/edgar/data/813762/000095012305009643/y11364exv3w2.htm). |
| 3.8 | ​ | [Amendment No. 4 to the Amended and Restated Agreement of Limited Partnership of Icahn Enterprises Holdings, dated September 17, 2007 (incorporated by reference to Exhibit 3.11 to Icahn Enterprises’ Form 10-K for the year ended December 31, 2007 (SEC File No. 1-9516), filed on March 17, 2008)](https://www.sec.gov/Archives/edgar/data/813762/000114420408015862/v106776_ex3-11.htm). |

152

[Table of Contents](#TOC)

|  |  |  |
| --- | --- | --- |
| 4.1 | ​ | [Description of securities (incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 10-K for the year ended December 31, 2019 (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on February 28, 2020)](https://www.sec.gov/Archives/edgar/data/813762/000081376220000008/ex41123119.htm). |
| 4.2 |  | [Form of Transfer Application (incorporated by reference to Exhibit 4.4 to Icahn Enterprises’ Form 10-K for the year ended December 31, 2004 (SEC File No. 1-9516), filed on March 16, 2005)](https://www.sec.gov/Archives/edgar/data/813762/000095012305003242/y06341exv4w4.htm). |
| 4.3 |  | [Specimen Depositary Receipt (incorporated by reference to Exhibit 4.3 to Icahn Enterprises’ Form 10-K for the year ended December 31, 2014 (SEC File No. 1-9516), filed on March 16, 2005)](https://www.sec.gov/Archives/edgar/data/813762/000095012305003242/y06341exv4w3.htm). |
| 4.4 | ​ | [Specimen Depositary Certificate (incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ Form 10-Q for the quarterly period ended June 30, 2016 (SEC File No. 1-9516), filed on August 4, 2016)](https://www.sec.gov/Archives/edgar/data/813762/000081376216000089/iep-ex41_certificatex8416.htm). |
| 4.5 |  | [Specimen Certificate representing preferred units (incorporated by reference to Exhibit 4.9 to Icahn Enterprises’ Form S-3/A (SEC File No. 33-54767), filed on February 22, 1995)](https://www.sec.gov/Archives/edgar/data/813762/0000897204-95-000016.txt). |
| 4.6 |  | [Registration Rights Agreement between Icahn Enterprises and High Coast Limited Partnership (f/k/a X LP) (incorporated by reference to Exhibit 10.2 to Icahn Enterprises’ Form 10-K for the year ended December 31, 2004 (SEC File No. 1-9516), filed on March 16, 2005)](https://www.sec.gov/Archives/edgar/data/813762/000095012305003242/y06341exv10w2.htm). |
| 4.7 |  | [Registration Rights Agreement, dated June 30, 2005 between Icahn Enterprises and Highcrest Investors Corp., Amos Corp., Cyprus, LLC and Gascon Partners (incorporated by reference to Exhibit 10.6 to Icahn Enterprises’ Form 10-Q (SEC File No. 1-9516), filed on August 9, 2005), as amended by Amendment No. 1 thereto, dated as of August 8, 2007 (incorporated by reference to Exhibit 10.5 to Icahn Enterprises’ Form 10-Q for the quarter ended June 30, 2007 (SEC File No. 1-9516), filed on August 9, 2007)](https://www.sec.gov/Archives/edgar/data/813762/000114420407041620/v083035_ex10-5.htm). |
| 4.8 |  | [Amended and Restated Depositary Agreement among Icahn Enterprises, Icahn Enterprises GP and Registrar and Transfer Company, dated as of August 23, 2013 (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ Form 8-K (SEC File No. 1-9516), filed on August 23, 2013)](https://www.sec.gov/Archives/edgar/data/813762/000114420413047710/v353661_ex10-1.htm). |
| 4.9 |  | [Indenture, dated as of January 18, 2017, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Wilmington Trust Company, as Trustee relating to the 6.250% Senior Notes Due 2022 and 6.750% Senior Notes Due 2024 (incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on January 18, 2017)](https://www.sec.gov/Archives/edgar/data/813762/000114420417002748/v457095_ex4-1.htm). |
| 4.10 |  | [Indenture, dated as of December 6, 2017, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Wilmington Trust Company, as Trustee relating to the 6.375% Senior Notes Due 2025 incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on December 6, 2017)](https://www.sec.gov/Archives/edgar/data/813762/000114420417062610/tv480904_ex4-1.htm). |
| 4.11 | ​ | [Indenture, dated as of May 10, 2019, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Wilmington Trust Company, as Trustee relating to the 6.250% Senior Notes Due 2026 incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on May 10, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000114420419025269/tv521264_ex4-1.htm). |
| 4.12 | ​ | [Indenture, dated as of September 6, 2019, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Wilmington Trust Company, as Trustee relating to the 4.750% Senior Notes Due 2024 incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on September 6, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000114420419043783/tv528967_ex4-1.htm). |
| 4.13 | ​ | [Indenture, dated as of December 12, 2019, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Wilmington Trust Company, as Trustee relating to the 5.250% Senior Notes Due 2027 incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on December 12, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000110465919072211/tm1925028d1_ex4-1.htm). |
| 4.14 | ​ | [Indenture, dated as of January 19, 2021, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Wilmington Trust Company, as Trustee relating to the 4.375% Senior Notes Due 2029 incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on January 19, 2021)](https://www.sec.gov/Archives/edgar/data/813762/000110465921005325/tm213465d1_ex4-1.htm). |

153

[Table of Contents](#TOC)

|  |  |  |
| --- | --- | --- |
| 4.15 | ​ | [Shareholders Agreement, dated as of October 1, 2018, by and among Icahn Enterprises L.P., Icahn Enterprises Holdings L.P., American Entertainment Properties Corp. and Tenneco Inc. (incorporated by reference to Exhibit 4.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively) file October 2, 2018)](https://www.sec.gov/Archives/edgar/data/813762/000119312518290879/d629636dex41.htm). |
| 10.1 |  | [Amended and Restated Agency Agreement (incorporated by reference to Exhibit 10.12 to Icahn Enterprises’ Form 10-K for the year ended December 31, 1994 (SEC File No. 1-9516), filed on March 31, 1995)](https://www.sec.gov/Archives/edgar/data/813762/0000897204-95-000029.txt). |
| 10.2 |  | [Undertaking, dated November 20, 1998, by Starfire Holding Corporation, for the benefit of Icahn Enterprises and its subsidiaries (incorporated by reference to Exhibit 10.42 to Icahn Enterprises’ Form 10-K for the year ended December 31, 2005 (SEC File No. 1-9516), filed on March 16, 2006)](https://www.sec.gov/Archives/edgar/data/813762/000095012306003289/y18546exv10w42.htm). |
| 10.3 | ​ | [Covered Affiliate and Shared Expenses Agreement by and among Icahn Enterprises, Icahn Partners LP, Icahn Fund Ltd., Icahn Fund II Ltd., Icahn Fund III Ltd., Icahn Partners Master Fund L.P., Icahn Partners Master Fund II L.P., Icahn Partners Master Fund III L.P., Icahn Cayman Partners, L.P. and Icahn Partners Master Fund II Feeder LP (incorporated by reference to Exhibit 10.4 to Icahn Enterprises’ Form 10-Q for the quarter ended June 30, 2007 (SEC File No. 1-9516), filed on August 9, 2007)](https://www.sec.gov/Archives/edgar/data/813762/000114420407041620/v083035_ex10-4.htm). |
| 10.4 | ​ | [Registration Rights Agreement, dated January 18, 2017, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on January 18, 2017)](https://www.sec.gov/Archives/edgar/data/813762/000114420417002748/v457095_ex10-1.htm). |
| 10.5 | ​ | [Registration Rights Agreement, dated December 6, 2017, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on December 6, 2017)](https://www.sec.gov/Archives/edgar/data/813762/000114420417062610/tv480904_ex10-1.htm). |
| 10.6 | ​ | [Registration Rights Agreement, dated May 10, 2019, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on May 10, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000114420419025269/tv521264_ex10-1.htm). |
| 10.7 | ​ | [Registration Rights Agreement, dated June 27, 2019, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on June 27, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000114420419032722/tv524288_ex10-1.htm). |
| 10.8 | ​ | [Registration Rights Agreement, dated September 6, 2019, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on September 6, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000114420419043783/tv528967_ex10-1.htm). |
| 10.9 | ​ | [Registration Rights Agreement, dated December 12, 2019, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on December 12, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000110465919072211/tm1925028d1_ex10-1.htm). |
| 10.10 | ​ | [Registration Rights Agreement, dated January 9, 2020, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on January 9, 2020)](https://www.sec.gov/Archives/edgar/data/813762/000110465920002683/tm201494d1_ex10-1.htm). |
| 10.11 | ​ | [Registration Rights Agreement, dated January 28, 2020, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on January 28, 2020)](https://www.sec.gov/Archives/edgar/data/813762/000110465920007677/tm205861d2_ex10-1.htm). |
| 10.12 | ​ | [Registration Rights Agreement, dated January 19, 2021, among Icahn Enterprises, Icahn Enterprises Finance, Icahn Enterprises Holdings, as Guarantor, and Jefferies LLC, as the Initial Purchaser (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on January 19, 2021)](https://www.sec.gov/Archives/edgar/data/813762/000110465921005325/tm213465d1_ex10-1.htm). |

154

[Table of Contents](#TOC)

|  |  |  |
| --- | --- | --- |
| 10.13 | ​ | [Amendment No. 1 and Joinder to Purchase and Sale Agreement, dated October 1, 2018, by and among Tropicana Entertainment Inc., GLP Capital, L.P. and Eldorado Resorts, Inc. (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively) file October 2, 2018)](https://www.sec.gov/Archives/edgar/data/813762/000119312518290879/d629636dex101.htm). |
| 10.14 | ​ | [Employment Agreement with Keith Cozza, dated December 20, 2019 (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on December 23, 2019)](https://www.sec.gov/Archives/edgar/data/813762/000110465919075671/tm1927295d1_ex10-1.htm). |
| 10.15 | ​ | [Manager Agreement, dated October 1, 2020, among Icahn Enterprises, Icahn Capital LP, Icahn Partners Master Fund LP, Brett Icahn and Isthmus LLC (incorporated by reference to Exhibit 10.1 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on October 1, 2020)](https://www.sec.gov/Archives/edgar/data/813762/000110465920111049/tm2032213d1_ex10-1.htm). |
| 10.16 | ​ | [Guaranty, dated October 1, 2020, between American Entertainment Properties Corp. and Isthmus LLC (incorporated by reference to Exhibit 10.2 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on October 1, 2020)](https://www.sec.gov/Archives/edgar/data/813762/000110465920111049/tm2032213d1_ex10-2.htm). |
| 10.17 | ​ | [Restricted Unit Agreement, dated October 1, 2020, between Icahn Enterprises and Brett Icahn (incorporated by reference to Exhibit 10.3 to Icahn Enterprises’ and Icahn Enterprises Holdings’ joint Form 8-K (SEC File Nos. 1-9516 and 333-118021-01, respectively), filed on October 1, 2020)](https://www.sec.gov/Archives/edgar/data/813762/000110465920111049/tm2032213d1_ex10-3.htm). |
| 14.1 |  | [Code of Business Conduct and Ethics (incorporated by reference to Exhibit 14.1 to Icahn Enterprises’ Form 10-Q for the quarter ended September 30, 2012 (SEC File No. 1-9516), filed on November 7, 2012)](https://www.sec.gov/Archives/edgar/data/813762/000081376212000064/iep-ex141_93012xcodeofethi.htm). |
| 21.1 |  | [Subsidiaries of the Registrants](tmb-20201231xex21d1.htm). |
| 22.1 | ​ | [Subsidiary guarantor.](tmb-20201231xex22d1.htm) |
| 23.1 |  | [Consent of Grant Thornton LLP](tmb-20201231xex23d1.htm). |
| 23.2 | ​ | [Consent of Grant Thornton LLP](tmb-20201231xex23d2.htm). |
| 31.1 |  | [Certification of Chief Executive Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002 and Rule 13a-14(a) of the Securities Exchange Act of 1934](tmb-20201231xex31d1.htm). |
| 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](tmb-20201231xex31d2.htm). |
| 32.1 |  | [Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) and Rule 13a-14(b) of the Securities Exchange Act of 1934](tmb-20201231xex32d1.htm). |
| 101.SCH | ​ | Inline XBRL Taxonomy Extension Schema Document. |
| 101.CAL | ​ | Inline XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.LAB | ​ | Inline XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | ​ | Inline XBRL Taxonomy Extension Presentation Linkbase Document. |
| 101.DEF | ​ | Inline XBRL Taxonomy Extension Definition Linkbase Document. |
| 104 | ​ | Cover Page Interactive Data File (formatted in Inline XBRL in Exhibit 101). |

​

​

​

​

155

[Table of Contents](#TOC)

**SIGNATURES**

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

|  |  |  |
| --- | --- | --- |
| ​ | **Icahn Enterprises L.P.** | |
| ​ | ​ | ​ |
| ​ | By: | Icahn Enterprises G.P. Inc., its |
| ​ | ​ | general partner |
| ​ | ​ | ​ |
| ​ | By: | /s/Keith Cozza |
| ​ | ​ | Keith Cozza |
| ​ | ​ | President, Chief Executive Officer and Director |

​

Date: February 26, 2021

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities indicated with respect to Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P., and on behalf of the registrant and on the dates indicated below by the following persons in the capacities and on the dates indicated.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Signature** |  | **Title** |  | **Date** |
| ​ | ​ | ​ | ​ | ​ |
| /s/Keith Cozza | ​ | President, Chief Executive Officer and Director | ​ | February 26, 2021 |
| Keith Cozza | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/SungHwan Cho | ​ | Chief Financial Officer and Director | ​ | February 26, 2021 |
| SungHwan Cho | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Ted Papapostolou | ​ | Chief Accounting Officer | ​ | February 26, 2021 |
| Ted Papapostolou | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Brett Icahn | ​ | Director | ​ | February 26, 2021 |
| Brett Icahn | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Michael Nevin | ​ | Director | ​ | February 26, 2021 |
| Michael Nevin | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Denise Barton | ​ | Director | ​ | February 26, 2021 |
| Denise Barton | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Alvin B. Krongard | ​ | Director | ​ | February 26, 2021 |
| Alvin B. Krongard | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Stephen A. Mongillo | ​ | Director | ​ | February 26, 2021 |
| Stephen A. Mongillo | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | Chairman of the Board | ​ | ​ |
| Carl C. Icahn | ​ | ​ | ​ | ​ |

​

156

[Table of Contents](#TOC)

**SIGNATURES**

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

|  |  |  |
| --- | --- | --- |
| ​ | **Icahn Enterprises Holdings L.P.** | |
| ​ | ​ | ​ |
| ​ | By: | Icahn Enterprises G.P. Inc., its |
| ​ | **​** | general partner |
| ​ | **​** | **​** |
| ​ | By: | /s/Keith Cozza |
| ​ | ​ | Keith Cozza |
| ​ | ​ | President, Chief Executive Officer and Director |

​

Date: February 26, 2021

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities indicated with respect to Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises Holdings L.P., and on behalf of the registrant and on the dates indicated below by the following persons in the capacities and on the dates indicated.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Signature** |  | **Title** |  | **Date** |
| ​ | ​ | ​ | ​ | ​ |
| /s/Keith Cozza | ​ | President, Chief Executive Officer and Director | ​ | February 26, 2021 |
| Keith Cozza | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/SungHwan Cho | ​ | Chief Financial Officer and Director | ​ | February 26, 2021 |
| SungHwan Cho | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Ted Papapostolou | ​ | Chief Accounting Officer | ​ | February 26, 2021 |
| Ted Papapostolou | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Brett Icahn | ​ | Director | ​ | February 26, 2021 |
| Brett Icahn | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Michael Nevin | ​ | Director | ​ | February 26, 2021 |
| Michael Nevin | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Denise Barton | ​ | Director | ​ | February 26, 2021 |
| Denise Barton | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Alvin B. Krongard | ​ | Director | ​ | February 26, 2021 |
| Alvin B. Krongard | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| /s/Stephen A. Mongillo | ​ | Director | ​ | February 26, 2021 |
| Stephen A. Mongillo | ​ | ​ | ​ | ​ |
| ​ | ​ | ​ | ​ | ​ |
| ​ | ​ | Chairman of the Board | ​ | ​ |
| Carl C. Icahn | ​ | ​ | ​ | ​ |

​

​

​

157