ICAHN ENTERPRISES L.P.
Form 10-Q
November 09, 2015

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

FORM 10-Q

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

For the Quarterly Period Ended September 30, 2015

(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. 767 Fifth Avenue, Suite 4700 New York, NY 10153 (212) 702-4300	Delaware	13-3398766
333-118021-01	ICAHN ENTERPRISES HOLDINGS L.P. 767 Fifth Avenue, Suite 4700 New York, NY 10153 (212) 702-4300	Delaware	13-3398767

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 x No o Icahn Enterprises Holdings L.P. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 x No o Icahn Enterprises Holdings L.P. Yes x No o

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

Icahn Enterprises L.P.		Icahn Enterprises Holdings L.P.	
Large Accelerated Filer x	Accelerated Filer o	Large Accelerated Filer o	Accelerated Filer o
Non-accelerated Filer o	Smaller Reporting Company o	Non-accelerated Filer x	Smaller Reporting Company o

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 o No x Icahn Enterprises Holdings L.P. Yes o No x

As of November 6, 2015, there were 128,953,091 of Icahn Enterprises' depositary units outstanding.

ICAHN ENTERPRISES L.P.
ICAHN ENTERPRISES HOLDINGS L.P.
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EXPLANATORY NOTE

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

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except unit amounts)

	September 30, 2015 (Unaudited)	December 31, 2014
ASSETS		
Cash and cash equivalents	$2,041	$2,912
Cash held at consolidated affiliated partnerships and restricted cash	1,441	1,435
Investments	13,661	14,500
Accounts receivable, net	1,876	1,691
Inventories, net	2,318	1,879
Property, plant and equipment, net	9,831	8,955
Goodwill	2,075	2,000
Intangible assets, net	1,132	1,088
Other assets	2,077	1,320
Total Assets	$36,452	$35,780
LIABILITIES AND EQUITY		
Accounts payable	$1,536	$1,387
Accrued expenses and other liabilities	2,057	2,235
Deferred tax liability	1,338	1,255
Securities sold, not yet purchased, at fair value	1,237	337
Due to brokers	4,504	5,197
Post-employment benefit liability	1,312	1,391
Debt	12,182	11,588
Total liabilities	24,166	23,390
Commitments and contingencies (Note 17)		
Equity:		
Limited partners: Depositary units: 128,953,091 and 123,103,414 units issued and outstanding at September 30, 2015 and December 31, 2014, respectively	5,375	5,672
General partner	(235)	(229)
Equity attributable to Icahn Enterprises	5,140	5,443
Equity attributable to non-controlling interests	7,146	6,947
Total equity	12,286	12,390
Total Liabilities and Equity	$36,452	$35,780

See notes to condensed consolidated financial statements.

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ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenues:				
Net sales	$3,720	$4,557	$11,264	$14,090
Other revenues from operations	366	350	1,042	934
Net (loss) gain from investment activities	(947)	(592)	236	509
Interest and dividend income	36	62	136	165
Other income, net	37	45	29	93
	3,212	4,422	12,707	15,791
Expenses:				
Cost of goods sold	3,224	4,218	9,673	12,687
Other expenses from operations	168	166	484	458
Selling, general and administrative	418	431	1,423	1,247
Restructuring	18	23	57	61
Impairment	6	4	10	6
Interest expense	296	226	853	593
	4,130	5,068	12,500	15,052
(Loss) income before income tax (expense) benefit	(918)	(646)	207	739
Income tax (expense) benefit	(22)	19	(184)	(166)
Net (loss) income	(940)	(627)	23	573
Less: net loss (income) attributable to non-controlling interests	500	272	(90)	(468)
Net (loss) income attributable to Icahn Enterprises	$(440)	$(355)	$(67)	$105
Net (loss) income attributable to Icahn Enterprises allocable to:				
Limited partners	$(432)	$(348)	$(66)	$103
General partner	(8)	(7)	(1)	2
	$(440)	$(355)	$(67)	$105
Basic and diluted (loss) income per LP unit	$(3.40)	$(2.90)	$(0.53)	$0.87
Basic and diluted weighted average LP units outstanding	127	120	125	118
Cash distributions declared per LP unit	$1.50	$1.50	$4.50	$4.50

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions) (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net (loss) income	$(940)	$(627)	$23	$573
Other comprehensive income (loss), net of tax:				
Post-employment benefits	10	8	34	13
Hedge instruments	—	1	(1)	3
Translation adjustments and other	(97)	(132)	(200)	(134)
Other comprehensive (loss) income, net of tax	(87)	(123)	(167)	(118)
Comprehensive (loss) income	(1,027)	(750)	(144)	455
Less: Comprehensive loss (income) attributable to non-controlling interests	519	299	(53)	(441)
Comprehensive (loss) income attributable to Icahn Enterprises	$(508)	$(451)	$(197)	$14
Comprehensive (loss) income attributable to Icahn Enterprises allocable to:				
Limited partners	$(498)	$(442)	$(193)	$14
General partner	(10)	(9)	(4)	—
	$(508)	$(451)	$(197)	$14

Accumulated other comprehensive loss was $1,460 million and $1,293 million at September 30, 2015 and December 31, 2014, respectively.

See notes to condensed consolidated financial statements.

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ICAHN ENTERPRISES L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In millions, Unaudited)

	Equity Attributable to Icahn Enterprises				
	General Partner's (Deficit) Equity	Limited Partners' Equity	Total Partners' Equity	Non-controlling Interests	Total Equity
Balance, December 31, 2014	$(229)	$5,672	$5,443	$6,947	$12,390
Net (loss) income	(1)	(66)	(67)	90	23
Other comprehensive loss	(3)	(127)	(130)	(37)	(167)
Partnership distributions	(2)	(85)	(87)	—	(87)
Investment segment contributions	—	—	—	246	246
Distributions to non-controlling interests in subsidiaries	—	—	—	(190)	(190)
Proceeds from subsidiary equity offerings	—	—	—	31	31
Acquisitions	—	—	—	90	90
Changes in subsidiary equity and other	—	(19)	(19)	(31)	(50)
Balance, September 30, 2015	$(235)	$5,375	$5,140	$7,146	$12,286

	Equity Attributable to Icahn Enterprises				
	General Partner's (Deficit) Equity	Limited Partners' Equity	Total Partners' Equity	Non-controlling Interests	Total Equity
Balance, December 31, 2013	$(216)	$6,308	$6,092	$7,217	$13,309
Net income	2	103	105	468	573
Other comprehensive loss	(2)	(89)	(91)	(27)	(118)
Partnership distributions	(2)	(94)	(96)	—	(96)
Investment segment contributions	—	—	—	500	500
Distributions to non-controlling interests in subsidiaries	—	—	—	(595)	(595)
Proceeds from subsidiary equity offering	—	10	10	150	160
Changes in subsidiary equity and other	3	136	139	—	139
Balance, September 30, 2014	$(215)	$6,374	$6,159	$7,713	$13,872

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions) (Unaudited)

	Nine Months Ended September 30,	
	2015	2014
Cash flows from operating activities:		
Net income	$23	$573
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Net loss (gain) from securities transactions	1,249	(1,005)
Purchases of securities	(3,753)	(6,121)
Proceeds from sales of securities	3,404	5,065
Purchases to cover securities sold, not yet purchased	(438)	(137)
Proceeds from securities sold, not yet purchased	1,261	328
Changes in receivables and payables relating to securities transactions	(598)	1,485
Loss on extinguishment of debt	2	162
Equity earnings from non-consolidated affiliates	(43)	(39)
Depreciation and amortization	641	601
Deferred taxes	58	18
Other, net	(20)	66
Changes in cash held at consolidated affiliated partnerships and restricted cash	3	(912)
Changes in other operating assets and liabilities	(1,279)	(703)
Net cash provided by (used in) operating activities	510	(619)
Cash flows from investing activities:		
Capital expenditures	(1,067)	(986)
Acquisition of business, net of cash acquired	(855)	(558)
Proceeds from sale of investments	68	—
Net proceeds from the sale and disposition of assets	80	—
Purchases of investments	(107)	(78)
Other, net	22	37
Net cash used in investing activities	(1,859)	(1,585)
Cash flows from financing activities:		
Capital contribution by non-controlling interests	246	500
Partnership distributions	(87)	(96)
Proceeds from offering of subsidiary equity	31	188
Distributions to non-controlling interests in subsidiaries	(190)	(595)
Proceeds from issuance of senior unsecured notes	—	4,991
Proceeds from other borrowings	1,284	4,689
Repayment of senior unsecured notes	—	(3,625)
Repayments of other borrowings	(737)	(3,997)
Purchase of treasury stock by subsidiary	(49)	—
Other, net	(20)	(42)
Net cash provided by financing activities	478	2,013
Effect of exchange rate changes on cash and cash equivalents	—	9
Net decrease in cash and cash equivalents	(871)	(182)
Cash and cash equivalents, beginning of period	2,912	3,262
Cash and cash equivalents, end of period	$2,041	$3,080

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Supplemental information:		
Cash payments for interest, net of amounts capitalized	$536	$518
Net cash payments for income taxes	$13	$81
Fair value of investment in Ferrous Resources prior to acquisition of controlling interest	$36	$—
Construction in progress additions included in accounts payable	$43	$25
Changes in accounts payable related to construction in progress additions	$15	$(13)

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)

	September 30, 2015	December 31, 2014
ASSETS	(Unaudited)	
Cash and cash equivalents	$2,041	$2,912
Cash held at consolidated affiliated partnerships and restricted cash	1,441	1,435
Investments	13,661	14,500
Accounts receivable, net	1,876	1,691
Inventories, net	2,318	1,879
Property, plant and equipment, net	9,831	8,955
Goodwill	2,075	2,000
Intangible assets, net	1,132	1,088
Other assets	2,101	1,343
Total Assets	$36,476	$35,803
LIABILITIES AND EQUITY		
Accounts payable	$1,536	$1,387
Accrued expenses and other liabilities	2,057	2,235
Deferred tax liability	1,338	1,255
Securities sold, not yet purchased, at fair value	1,237	337
Due to brokers	4,504	5,197
Post-employment benefit liability	1,312	1,391
Debt	12,182	11,588
Total liabilities	24,166	23,390
Commitments and contingencies (Note 17)		
Equity:		
Limited partner	5,452	5,751
General partner	(288)	(285)
Equity attributable to Icahn Enterprises Holdings	5,164	5,466
Equity attributable to non-controlling interests	7,146	6,947
Total equity	12,310	12,413
Total Liabilities and Equity	$36,476	$35,803

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions) (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenues:				
Net sales	$3,720	$4,557	$11,264	$14,090
Other revenues from operations	366	350	1,042	934
Net (loss) gain from investment activities	(947)	(592)	236	509
Interest and dividend income	36	62	136	165
Other income, net	37	45	29	93
	3,212	4,422	12,707	15,791
Expenses:				
Cost of goods sold	3,224	4,218	9,673	12,687
Other expenses from operations	168	166	484	458
Selling, general and administrative	418	431	1,423	1,247
Restructuring	18	23	57	61
Impairment	6	4	10	6
Interest expense	296	226	852	592
	4,130	5,068	12,499	15,051
(Loss) income before income tax (expense) benefit	(918)	(646)	208	740
Income tax (expense) benefit	(22)	19	(184)	(166)
Net (loss) income	(940)	(627)	24	574
Less: net loss (income) attributable to non-controlling interests	500	272	(90)	(468)
Net (loss) income attributable to Icahn Enterprises Holdings	$(440)	$(355)	$(66)	$106
Net (loss) income attributable to Icahn Enterprises Holdings allocable to:				
Limited partner	$(436)	$(351)	$(65)	$105
General partner	(4)	(4)	(1)	1
	$(440)	$(355)	$(66)	$106

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions) (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net (loss) income	$(940)	$(627)	$24	$574
Other comprehensive income (loss), net of tax:				
Post-employment benefits	10	8	34	13
Hedge instruments	—	1	(1)	3
Translation adjustments and other	(97)	(132)	(200)	(134)
Other comprehensive (loss) income, net of tax	(87)	(123)	(167)	(118)
Comprehensive (loss) income	(1,027)	(750)	(143)	456
Less: Comprehensive loss (income) attributable to non-controlling interests	519	299	(53)	(441)
Comprehensive (loss) income attributable to Icahn Enterprises Holdings	$(508)	$(451)	$(196)	$15
Comprehensive (loss) income attributable to Icahn Enterprises Holdings allocable to:				
Limited partner	$(503)	$(446)	$(194)	$15
General partner	(5)	(5)	(2)	—
	$(508)	$(451)	$(196)	$15

Accumulated other comprehensive loss was $1,460 million and $1,293 million at September 30, 2015 and December 31, 2014, respectively.

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In millions, Unaudited)

	Equity Attributable to Icahn Enterprises Holdings				
	General Partner's Equity (Deficit)	Limited Partner's Equity	Total Partners' Equity	Non-controlling Interests	Total Equity
Balance, December 31, 2014	$(285)	$5,751	$5,466	$6,947	$12,413
Net (loss) income	(1)	(65)	(66)	90	24
Other comprehensive loss	(1)	(129)	(130)	(37)	(167)
Partnership distributions	(1)	(86)	(87)	—	(87)
Investment segment contributions	—	—	—	246	246
Distributions to non-controlling interests in subsidiaries	—	—	—	(192)	(192)
Proceeds from subsidiary equity offerings	—	—	—	31	31
Acquisitions	—	—	—	90	90
Changes in subsidiary equity and other	—	(19)	(19)	(29)	(48)
Balance, September 30, 2015	$(288)	$5,452	$5,164	$7,146	$12,310

	Equity Attributable to Icahn Enterprises Holdings				
	General Partner's Equity (Deficit)	Limited Partner's Equity	Total Partners' Equity	Non-controlling Interests	Total Equity
Balance, December 31, 2013	$(279)	$6,393	$6,114	$7,217	$13,331
Net income	1	105	106	468	574
Other comprehensive loss	(1)	(90)	(91)	(27)	(118)
Partnership distributions	(1)	(95)	(96)	—	(96)
Investment segment contributions	—	—	—	500	500
Distributions to non-controlling interests in subsidiaries	—	—	—	(595)	(595)
Proceeds from subsidiary equity offering	—	10	10	150	160
Changes in subsidiary equity and other	1	138	139	—	139
Balance, September 30, 2014	$(279)	$6,461	$6,182	$7,713	$13,895

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions) (Unaudited)

	Nine Months Ended September 30,	
	2015	2014
Cash flows from operating activities:		
Net income	$24	$574
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Net loss (gain) from securities transactions	1,249	(1,005)
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See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES L.P. AND SUBSIDIARIES
ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
September 30, 2015 (Unaudited)

1. Description of Business and Basis of Presentation.

General

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

Icahn Enterprises owns a 99% limited partner interest in Icahn Enterprises Holdings. Icahn Enterprises G.P. Inc. (“Icahn Enterprises GP”), which is owned and controlled by Mr. Carl C. Icahn, owns a 1% general partner interest in each of Icahn Enterprises and Icahn Enterprises Holdings as of September 30, 2015. 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 debt, as discussed further in Note 10, "Debt," and 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 114,551,382, or approximately 88.8%, of Icahn Enterprises' outstanding depositary units as of September 30, 2015.

We are a diversified holding company owning subsidiaries currently engaged in the following continuing operating businesses: Investment, Automotive, Energy, Metals, Railcar, Gaming, Mining, Food Packaging, Real Estate and Home Fashion. We also report the results of our Holding Company, which includes the results of certain subsidiaries of Icahn Enterprises and Icahn Enterprises Holdings (unless otherwise noted), and investment activity and expenses associated with the Holding Company. Further information regarding our continuing reportable segments is contained in Note 2, “Operating Units,” and Note 13, “Segment Reporting.”

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 “'40 Act”). Therefore, no more than 40% of our total assets can be invested in investment securities, as such term is defined in the '40 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.

The accompanying condensed consolidated financial statements and related notes should be read in conjunction with our consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2014. The condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission (the “SEC”) related to interim financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) have been condensed or omitted pursuant to such rules and regulations. The financial information contained herein is unaudited; however, management believes all adjustments have been made that are necessary to present fairly the results for the interim periods. All such adjustments are of a normal and recurring nature.

Summary of New Significant Accounting Policies

As further described in Note 2, "Operating Units - Mining," we obtained a controlling interest in Ferrous Resources Limited ("Ferrous Resources") during the second quarter of 2015. Ferrous Resources constitutes our Mining segment. As a result, we have the following new accounting policies that are applicable to our Mining segment:

Revenue Recognition

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

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures relate to costs incurred in the exploration and evaluation of potential mineral reserves and include costs such as exploratory drilling, sample testing and the costs of feasibility studies. For our Mining

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Notes to Condensed Consolidated Financial Statements
September 30, 2015 (Unaudited)

segment, exploration and evaluation expenditures other than that acquired through the purchase of another mining company, are expensed as incurred.

Purchased exploration and evaluation assets are recognized as assets at their cost of acquisition or at fair value if purchased as part of a business combination.

An impairment review is performed, either individually or at the cash-generating unit level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent the carrying values exceed their recoverable amounts, the excess is recognized as an impairment charge in the statements of operations in the period this is determined. Exploration assets are reassessed on a regular basis and these costs are carried forward provided that certain conditions are met.

Expenditures are transferred to mine development assets once the work completed supports the future development of the property, provided that technical feasibility and commercial viability studies have been successfully completed.

Mining Properties and Mine Development Expenditures

The costs of acquiring mineral reserves and resources for our Mining segment are capitalized on the consolidated balance sheets as incurred. Capitalized mineral reserves and mine development expenditures are, upon commencement of commercial production, depreciated using a unit of production method based on the estimated economically recoverable reserves to which they relate, or are written off if abandoned. The net carrying amounts of the mineral reserves and resources and capitalized mine development expenditures at each mine property are reviewed for impairment either individually or at the cash-generating unit level when events and circumstances indicate that the carrying amount may not be recoverable. To the extent the carrying values exceed their recoverable amounts, the excess is recognized as an impairment charge in the statements of operations in the period this is determined.

In our Mining segment's operations, it is necessary to remove overburden and other waste in order to access the ore body. During the pre-production phase, these costs are capitalized as part of the cost of the mine property and depreciated using a units of production method once the mine enters into a full commercial production phase. The costs of removal of the waste material during a mine's production phase are expensed as incurred.

Inventories

Our Mining segment's inventories are valued at the lower of cost or market. Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition, including direct materials and direct labor costs, and an allocation of production overheads based on normal production capacity. Cost is calculated using weighted average unit cost.

Reclassifications

Certain reclassifications from the prior year presentation have been made to conform to the current year presentation.

Principles of Consolidation

Our condensed consolidated financial statements include the accounts of (i) Icahn Enterprises and Icahn Enterprises Holdings and (ii) the wholly and majority owned subsidiaries of Icahn Enterprises and Icahn Enterprises Holdings, in addition to those entities in which we have a controlling interest as a general partner interest. In evaluating whether we have a controlling financial interest in entities that we consolidate, we consider the following: (1) for voting interest entities, we consolidate these entities in which we own a majority of the voting interests; and (2) for limited partnership entities, we consolidate these entities if we are the general partner of such entities and for which no substantive kick-out rights (the rights underlying the limited partners' ability to dissolve the limited partnership or otherwise remove the general partners are collectively referred to as “kick-out” rights) or participating rights exist. All material intercompany accounts and transactions have been eliminated in consolidation.

Except for our Investment segment, for those investments in which we own 50% or less but greater than 20%, we generally account for such investments using the equity method, while investments in affiliates of 20% or less are accounted for under the cost method.

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Fair Value of Financial Instruments
The carrying values of cash and cash equivalents, cash held at consolidated affiliated partnerships and restricted cash, accounts receivable, due from brokers, accounts payable, accrued expenses and other liabilities and due to brokers are deemed to be reasonable estimates of their fair values because of their short-term nature.
See Note 4, “Investments and Related Matters,” and Note 5, “Fair Value Measurements,” for a detailed discussion of our investments.
The fair value of our long-term debt is based on the quoted market prices for the same or similar issues or on the current rates offered to us for debt of the same remaining maturities. The carrying value and estimated fair value of our long-term debt as of September 30, 2015 was each approximately $12.2 billion. The carrying value and estimated fair value of our long-term debt as of December 31, 2014 was each approximately $11.6 billion.
Restricted Cash
Our restricted cash balance was $980 million and approximately $1.3 billion as of September 30, 2015 and December 31, 2014, respectively.
Adoption of New Accounting Standards
In April 2014, the FASB issued ASU No. 2014-08, which amends FASB ASC Topic 205, Presentation of Financial Statements and FASB ASC Topic 360, Property, Plant, and Equipment. This ASU is effective on a prospective basis applicable to activities that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years, and changes the requirements for reporting discontinued operations. We adopted ASU No. 2014-08 during the first quarter of 2015 and believe that this guidance will reduce the number of dispositions that would qualify for discontinued operations at our parent company level, thereby reducing the complexity associated with the reporting and disclosure requirements of discontinued operations that would have been otherwise required previously.
In November 2014, the FASB issued ASU No. 2014-17, which amends FASB Topic 805, Business Combinations. This ASU provides an acquired entity with an option to apply pushdown accounting in its separate financial statements upon the occurrence of an event in which an acquirer obtains control of the acquired entity. The ASU became effective on November 18, 2014. The adoption of this guidance during the fourth quarter of 2014 did not have any effect on our consolidated financial position, results of operations, comprehensive income, cash flows and disclosures.
In January 2015, the FASB issued ASU No. 2015-01, which amends FASB ASU Topic 220-20, Income Statement - Extraordinary and Unusual Items. This ASU eliminates from GAAP the concept of extraordinary items. Although the ASU will eliminate the requirements in Subtopic 225-20 for reporting entities to consider whether an underlying event or transaction is extraordinary, the presentation and disclosure guidance for items that are unusual in nature or occur infrequently will be retained and will be expanded to include items that are both unusual in nature and infrequently occurring. This ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. A reporting entity may apply the amendments prospectively. A reporting entity also may apply the amendments retrospectively to all prior periods presented in the financial statements. Early adoption is permitted provided that the guidance is applied from the beginning of the fiscal year of adoption. We adopted ASU No. 2015-01 during the first quarter of 2015 and believe that the adoption of this guidance will have no impact on our consolidated financial position, results of operations, comprehensive income, cash flows and disclosures.
Recently Issued Accounting Standards
In May 2014, the FASB issued ASU No. 2014-09, creating a new topic, FASB ASC Topic 606, Revenue from Contracts with Customers, superseding revenue recognition requirements in FASB ASC Topic 605, Revenue Recognition. This ASU requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. In addition, an entity is required to disclose sufficient information to enable users of financial

statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. This ASU was amended by ASU No. 2015-14, issued in August 2015, which deferred the original effective date by one year; the effective date of this ASU is for fiscal years, and interim reporting periods within those years, beginning after December 15, 2017, using one of two retrospective application methods. Early adoption is permitted only as of the annual reporting periods beginning after

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December 15, 2016, including interim reporting periods within that reporting period. We are currently evaluating the impact of this guidance on our consolidated financial position, results of operations, comprehensive income, cash flows and disclosures.

In June 2014, the FASB issued ASU No. 2014-12, which amends FASB Topic 718, Compensation-Stock Compensation. This ASU requires that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition. A reporting entity should apply existing guidance in FASB ASC Topic 718 as it relates to awards with performance conditions that affect vesting to account for such awards. As such, the performance target should not be reflected in estimating the grant-date fair value of the award. This ASU is effective for fiscal years, and interim reporting periods within those years, beginning after December 15, 2015. We believe that the adoption of this guidance will not have a material impact on our consolidated financial position, results of operations, comprehensive income, cash flows and disclosures.

In February 2015, the FASB issued ASU No. 2015-02, which amends FASB ASU Topic 810, Consolidations. This ASU amends the current consolidation guidance, including introducing a separate consolidation analysis specific to limited partnerships and other similar entities. This ASU requires that limited partnerships and similar legal entities provide partners with either substantive kick-out rights or substantive participating rights over the general partner in order to be considered a voting interest entity. The specialized consolidation model and guidance for limited partnerships and similar legal entities have been eliminated. There is no longer a presumption that a general partner should consolidate a limited partnership. For limited partnerships and similar legal entities that qualify as voting interest entities, a limited partner with a controlling financial interest should consolidate a limited partnership. A controlling financial interest may be achieved through holding a limited partner interest that provides substantive kick-out rights. The standard is effective for annual periods beginning after December 15, 2015. We believe that the adoption of this guidance will not have a material effect on our consolidated financial position, results of operations, comprehensive income, cash flows and disclosures.

In April 2015, the FASB issued ASU 2015-03, Simplifying the Presentation of Debt Issuance Costs, which amends FASB ASU Subtopic 835-30, Interest - Imputation of Interest. The new standard requires that all costs incurred to issue debt be presented in the balance sheet as a direct deduction from the carrying value of the debt. Given the absence of authoritative guidance within this ASU regarding debt issuance costs related to line-of-credit, the SEC staff has stated that it would not object to an entity deferring and presenting debt issuance costs as an asset and subsequently amortization the deferred issuance costs ratably over the term of the line-of-credit arrangement. The standard is effective for interim and annual periods beginning after December 15, 2015 and is required to be applied on a retrospective basis. Early adoption is permitted. We expect that the adoption of this new guidance will generally result in a reclassification of debt issuance costs on our consolidated balance sheets.

In April 2015, the FASB issued ASU No. 2015-06, Effects on Historical Earnings per Unit of Master Limited Partnership Dropdown Transactions, which amends FASB ASU Topic 260, Earnings Per Share. This ASU requires that for purposes of calculating earnings per share under the two-class method, the earnings or losses of a transferred business before the date of a dropdown transaction should be allocated entirely to the general partner. In that circumstance, the previously reported earnings per unit of the limited partners would not change as a result of the drop down transaction. The guidance is effective for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Earlier application is permitted. The adoption of this guidance will have no impact on our consolidated financial statements and footnote disclosures as we have historically allocated earnings or losses of a transferred business before the date of applicable dropdown transactions to the general partner for purposes of calculating earnings per share.

In July 2015, the FASB issued ASU No. 2015-11, Simplifying the Measurement of Inventory, which amends FASB ASU Topic 330, Inventory. This ASU requires entities to measure inventory at the lower of cost or net realizable value and eliminates the option that currently exists for measuring inventory at market value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. This ASU is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. This ASU should be applied prospectively with earlier application permitted as of the beginning of an interim period or annual reporting period. We anticipate that the adoption of this guidance will have minimal impact on our consolidated financial position, results of operations, comprehensive income, cash flows and disclosures.

In September 2015, the FASB issued ASU No. 2015-16, Simplifying the Accounting for Measurement-Period Adjustments, which amends FASB ASU Topic 805, Business Combinations. This ASU eliminates the requirement to retrospectively adjust provisional amounts recognized at the acquisition dates of business combinations. Rather, this ASU requires that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. This ASU is effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The amendments in this ASU should be applied prospectively to adjustments to provisional amounts that occur after the effective date with earlier application permitted for financial statements that have not been issued. We anticipate that the adoption of this guidance will have minimal impact on our consolidated financial position, results of operations, comprehensive income, cash flows and disclosures.

Filing Status of Subsidiaries

Federal-Mogul Holdings Corporation (“Federal-Mogul”), CVR Energy, Inc. ("CVR"), American Railcar Industries, Inc. (“ARI”) and Tropicana Entertainment Inc. (“Tropicana”) are each a public reporting entity under the Securities Exchange Act of 1934, as amended, and file annual, quarterly and current reports and proxy and information statements with the SEC. Each of these reports is publicly available at www.sec.gov.

2. Operating Units.

Investment

Our Investment segment is comprised of various private investment funds, including Icahn Partners L.P. ("Icahn Partners") and Icahn Partners Master Fund LP ("Master Fund") (collectively, the "Investment Funds"), through which we invest our proprietary capital. We and certain of Mr. Icahn's wholly owned affiliates are the sole investors in the Investment Funds. Icahn Onshore LP and Icahn Offshore LP (together, the "General Partners") act as the general partner of Icahn Partners and the Master Fund, respectively. The General Partners 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 value of approximately \$4.2 billion and \$4.3 billion as of September 30, 2015 and December 31, 2014, respectively.

Automotive

We conduct our Automotive segment through our majority ownership in Federal-Mogul and wholly owned subsidiary, IEH Auto Parts Holding LLC ("IEH Auto"), which acquired certain automotive assets of Uni-Select, Inc. through an acquisition that was consummated during the second quarter of 2015 (see below for further discussion).

Federal-Mogul is a leading global supplier of a broad range of components, accessories and systems to the automotive, small engine, heavy-duty, marine, railroad, agricultural, off-road, aerospace and energy, industrial and transport markets, including customers in both the original equipment manufacturers and servicers (“OE”) market and the replacement market (“aftermarket”). Federal-Mogul’s customers include the world’s largest automotive OEs and major distributors and retailers in the independent aftermarket.

Federal-Mogul operates with two end-customer focused businesses. The Powertrain business unit focuses on original equipment products for automotive, heavy duty and industrial applications. The Motorparts business unit sells and distributes a broad portfolio of products in the global aftermarket, while also serving original equipment manufacturers with products including braking, chassis, wipers and other vehicle components. This organizational model allows for a strong product line focus benefiting both original equipment and aftermarket customers and enables the global Federal-Mogul teams to be responsive to customers’ needs for superior products and to promote greater identification with Federal-Mogul premium brands. Additionally, this organizational model enhances management focus to capitalize on opportunities for organic and acquisition growth, profit improvement, resource utilization and business model optimization in line with the unique requirements of the two different customer bases.

IEH Auto has 35 distribution centers and satellite locations and 242 corporate-owned parts stores in the United States and supports a network of more than 2,000 independent parts stores. IEH Auto operates independently of Federal-Mogul.

Transactions between Federal-Mogul and IEH Auto have been eliminated in consolidation.

Reorganization

On September 3, 2014, Federal-Mogul announced its plan to separate its Powertrain and Motorparts businesses into two independent, publicly-traded companies serving the global original equipment and aftermarket industries. The planned separation may be implemented through a tax-free distribution of Federal-Mogul’s Motorparts business to shareholders of

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Federal-Mogul Holdings Corporation. Completion of the transaction is subject to customary conditions, including among others, Federal-Mogul's receipt of an IRS ruling or opinion of counsel to the effect that the distribution will qualify as a transaction that is generally tax-free for U.S. Federal Income tax purposes, as well as effectiveness of a Form 10 Registration Statement to be filed with the SEC.

On February 24, 2015, Federal-Mogul announced that it would defer the previously announced spin-off of its Motorparts business to allow for the integration of its recently completed brake component, chassis and valvetrain acquisitions and to recognize the benefits of the strategic initiatives in the Motorparts business. As a result of the deferral and the recent closing of the acquisition of TRW's (as defined below) valvetrain business, Federal-Mogul commenced a common stock rights offering to strengthen its balance sheet. See below for further information regarding this rights offering. Federal-Mogul's board of directors intends to revisit the timing of the spin-off prior to the end of the year ending December 31, 2015. Meanwhile Federal-Mogul will continue to operate as two separate, independent businesses. No assurances can be given regarding the ultimate timing of the separation or that it will be consummated.

TRW Acquisition

Pursuant to a certain share and asset purchase agreement dated January 23, 2015, Federal-Mogul completed the acquisition of the engine components business from TRW Automotive Holdings Corp. ("TRW"). On February 6, 2015, Federal-Mogul completed the acquisition of certain assets of the TRW engine components business. The business was acquired through a combination of asset and stock purchases for a base purchase price of approximately $309 million. In addition, on July 7, 2015, Federal-Mogul completed the purchase of certain additional business assets of the TRW engine components business which were acquired through stock purchases for a base purchase price of $56 million. The purchase includes a $25 million non-controlling interest related to the acquisition of a partially owned entity that Federal-Mogul consolidates into its financial statements. These acquisitions were funded primarily from the Federal-Mogul Replacement Revolving Facility (as defined herein) and is subject to certain customary closing and post-closing adjustments. The purchase of TRW's engine valve business adds a new product line to Federal-Mogul's portfolio, strengthens its position as a leading developer and supplier of core components for engines, and enhances its ability to support its customers to improve fuel economy and reduce emissions.

A preliminary valuation of the net assets of the TRW engine components business acquisitions resulted in $208 million allocated to tangible net assets, $76 million to goodwill and $106 million to other identified intangible assets as of the acquisition date. Because Federal-Mogul is in the process of finalizing certain customary post-closing adjustments, the provisional measurements of net assets are subject to change. The valuation of net assets was performed utilizing cost, income and market approaches. The TRW engine components business acquisitions are not material, individually or in the aggregate with the IEH Auto and Ferrous Resources acquisitions, to our condensed consolidated financial statements.

IEH Auto Acquisition

On June 1, 2015, IEH Auto acquired substantially all of the auto parts assets in the United States of Uni-Select, Inc., a leading automotive parts distributor for domestic and imported vehicles, for a purchase price of $330 million, subject to certain customary post-closing adjustment. A preliminary valuation of the net assets of the IEH Auto business acquisition resulted in $338 million allocated to tangible net assets and $2 million allocated to other identified intangible assets as of the acquisition date. In addition, we recorded a bargain purchase gain of $2 million, net of taxes, related to this purchase, representing the difference of the fair value of net assets acquired over the consideration transferred as of the acquisition date. The bargain purchase gain was recorded in other income, net on the condensed consolidated statements of operations. We reassessed whether we had correctly identified all of the assets acquired and all of the liabilities assumed of the IEH Auto business acquisition before recognizing a gain on a bargain purchase. We concluded that we had appropriately reviewed our procedures for measuring and allocating fair values of the IEH Auto business acquisition before recognizing a bargain purchase gain.

Because IEH Auto is in the process of finalizing certain customary post-closing adjustments, the provisional measurements of net assets are subject to change. The valuation of net assets was performed utilizing cost, income and market approaches. The acquisition of IEH Auto was not material, individually or in the aggregate with the TRW engine components business acquisition and the Ferrous Resources acquisition, to our condensed consolidated financial statements.

Rights Offering

On March 26, 2015, Federal-Mogul received $250 million in connection with its previously announced common stock registered rights offering (the “Federal-Mogul Rights Offering”). In connection with the Federal-Mogul Rights Offering, we fully exercised our subscription rights under our basic and over subscription privileges to purchase additional shares of

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Federal-Mogul common stock, thereby increasing our ownership of Federal-Mogul, for an aggregate additional investment of $230 million.

As of September 30, 2015, we owned approximately 82.0% of the total outstanding common stock of Federal-Mogul.

Accounts Receivable, net

Federal-Mogul's subsidiaries in Brazil, France, Germany, Italy and the United States are party to accounts receivable factoring and securitization facilities. Gross accounts receivable transferred under these facilities were $412 million and $306 million as of September 30, 2015 and December 31, 2014, respectively. Of those gross amounts, $397 million and $293 million, respectively, qualify as sales as defined in FASB ASC Topic 860, Transfers and Servicing. The remaining transferred receivables were pledged as collateral and accounted for as secured borrowings and recorded in the condensed consolidated balance sheets within accounts receivable, net and debt. Under the terms of these facilities, Federal-Mogul is not obligated to draw cash immediately upon the transfer of accounts receivable. As of September 30, 2015 and December 31, 2014, Federal-Mogul had undrawn cash related to such transferred receivables of $1 million and $2 million, respectively. Proceeds from the transfers of accounts receivable qualifying as sales were $380 million and $456 million for the three months ended September 30, 2015 and 2014, respectively, and approximately $1.2 billion and $1.3 billion for the nine months ended September 30, 2015 and 2014, respectively.

For the three months ended September 30, 2015 and 2014, expenses associated with transfers of receivables were $3 million and $2 million, respectively. For the nine months ended September 30, 2015 and 2014, expenses associated with transfers of receivables were $7 million and $5 million, respectively. Such expenses were recorded in the condensed consolidated statements of operations within other income, net. Where Federal-Mogul receives a fee to service and monitor these transferred receivables, such fees are sufficient to offset the costs and as such, a servicing asset or liability is not incurred as a result of such activities.

Certain of the facilities contain terms that require Federal-Mogul to share in the credit risk of the sold receivables. The maximum exposure to Federal-Mogul associated with certain of these facilities' terms were $11 million and $17 million as of September 30, 2015 and December 31, 2014, respectively. Based on Federal-Mogul's analysis of the creditworthiness of its customers on which such receivables were sold and outstanding as of both September 30, 2015 and December 31, 2014, Federal-Mogul estimated the loss to be immaterial.

Restructuring

During the three months ended September 30, 2015 and 2014, Federal-Mogul recorded $18 million and $25 million, respectively, in restructuring charges. During the nine months ended September 30, 2015 and 2014, Federal-Mogul recorded $57 million and $63 million, respectively, in restructuring charges. These restructuring charges, primarily consisting of employee costs and headcount reductions, pertain to all restructuring programs that Federal-Mogul has initiated in order to improve its operating performance.

Restructuring expenses for the three months ended September 30, 2015 primarily relate to reducing production complexities and reducing inefficiencies in indirect and fixed costs structures located in Europe, the Middle East and Africa. Federal-Mogul expects to complete these programs in 2018 and incur additional restructuring and other charges of approximately $40 million in connection therewith. For programs previously initiated, Federal-Mogul expects to complete these programs in 2018 and incur additional restructuring and other charges of approximately $10 million.

Energy

We conduct our Energy segment through our majority ownership in CVR. CVR is a diversified holding company primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing industries 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 ("UAN") and ammonia. As of September 30, 2015, CVR owned 100% of the general partners of CVR Refining and CVR Partners and approximately 66% of the common units of CVR Refining and approximately 53% of the common units of CVR Partners.

As of September 30, 2015, we owned approximately 82.0% of the total outstanding common stock of CVR. In addition, as of September 30, 2015, we owned approximately 4.0% of the total outstanding common units of CVR Refining directly.

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CVR Partners - Pending Mergers

On August 9, 2015, CVR Partners entered into an Agreement and Plan of Merger (the "Merger Agreement") with Rentech Nitrogen Partners, L.P. ("Rentech Nitrogen"), and Rentech Nitrogen GP, LLC ("Rentech Nitrogen GP"), pursuant to which CVR Partners will acquire Rentech Nitrogen and Rentech Nitrogen GP.

Under the terms of the Merger Agreement, holders of common units representing limited partner interests in Rentech Nitrogen ("Rentech Nitrogen common units") eligible to receive consideration will receive 1.04 common units (the "unit consideration") representing limited partner interests in CVR Partners ("CVR Partners common units") and $2.57 in cash, without interest, (the "cash consideration" and together with the unit consideration, the "merger consideration") for each Rentech Nitrogen common unit. CVR Partners is expected to issue approximately 40.7 million CVR Partners common units to former Rentech Nitrogen common unitholders pursuant to the mergers.

Rentech Nitrogen owns and operates two fertilizer facilities. The facility located in East Dubuque, Illinois (the "East Dubuque facility") produces primarily ammonia and UAN using natural gas as the facility's primary feedstock. The facility located in Pasadena, Texas (the "Pasadena facility") produces ammonium sulfate, ammonium thiosulfate and sulfuric acid, using ammonia and sulfur as the facility's primary feedstocks. Rentech Nitrogen is required to sell or spin off its Pasadena facility as a condition to the closing of the mergers (unless waived), and Rentech Nitrogen common unitholders may receive additional consideration for the Pasadena facility in the event such a sale or spin-off is consummated.

The completion of the mergers is subject to satisfaction or waiver of certain closing conditions. The Merger Agreement contains certain termination rights for both CVR Partners and Rentech Nitrogen and further provides that upon termination of the Merger Agreement, under certain circumstances, either party may be required to make an expense reimbursement payment of $10 million, and Rentech Nitrogen may be required to pay CVR Partners a termination fee equal to approximately $31 million.

Further, simultaneously with the execution of the Merger Agreement, CVR Partners entered into the voting and support agreement with Rentech Inc. and certain of its wholly owned subsidiaries, who collectively hold a sufficient number of Rentech Nitrogen common units to approve the proposed mergers without the affirmative vote of any other Rentech Nitrogen common unitholders, pursuant to which such holders of Rentech Nitrogen common units have agreed to, among other things, vote in favor of the Merger Agreement. CVR Partners common unitholders are not required to adopt the Merger Agreement or approve the mergers or the issuance of CVR Partners common units in connection with the mergers.

See Note 17, "Commitments and Contingencies - Energy," for discussion of litigation related to the pending mergers.

Equity Offerings

On June 30, 2014, CVR Refining completed an underwritten offering (the “Follow-on Offering”), resulting in gross proceeds of $170 million before giving effect to underwriting discounts and other offering expenses. On July 24, 2014, the underwriters exercised their option to purchase additional common units of CVR Refining, resulting in additional gross proceeds of $15 million. CVR Refining used this $15 million in gross proceeds to redeem an equal amount of common units from CVR Refining Holdings, LLC. Additionally, on July 24, 2014, CVR Refining Holdings, LLC sold common units to the public in connection with the underwriters' exercise of their remaining option to purchase additional common units, resulting in net proceeds of $10 million.

As a result of the Follow-on Offering during the nine months ended September 30, 2014, our consolidated equity increased by an aggregate of $160 million, of which $150 million was attributable to non-affiliated non-controlling interests and $10 million was attributable to both Icahn Enterprises and Icahn Enterprises Holdings. These offerings are reflected in proceeds from subsidiary equity offerings in our condensed consolidated statements of changes in equity.

Petroleum Business

CVR Refining's petroleum business includes a 115,000 barrels per calendar day ("bpcd") rated capacity complex full coking medium-sour crude oil refinery in Coffeyville, Kansas and a 70,000 bpcd rated capacity complex crude oil refinery in Wynnewood, Oklahoma. The Coffeyville refinery is situated on approximately 440 acres in southeast Kansas, approximately 100 miles from Cushing, Oklahoma, a major crude oil trading and storage hub. The Wynnewood refinery is situated on approximately 400 acres located approximately 65 miles south of Oklahoma City, Oklahoma and approximately 130 miles from Cushing, Oklahoma.

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In addition to the refineries, CVR's petroleum business owns and operates the following: (1) a crude oil gathering system with a gathering capacity of over 60,000 barrels per day ("bpd") serving Kansas, Oklahoma, Missouri, Colorado, Nebraska and Texas; (2) a 170,000 bpd pipeline system (supported by approximately 336 miles of active owned and leased pipeline) that transports crude oil to its Coffeyville refinery from its Broome Station facility near Caney, Kansas; (3) approximately 7.0 million barrels of owned and leased crude oil storage; (4) a rack marketing division supplying product through tanker trucks directly to customers located in close geographic proximity to Coffeyville, Kansas and Wynnewood, Oklahoma and at throughput terminals on Magellan and NuStar Energy, LP's ("NuStar") refined products distribution systems; and (5) over 4.5 million barrels of combined refinery related storage capacity.

Nitrogen Fertilizer Business

CVR Partners' nitrogen fertilizer business consists of a nitrogen fertilizer manufacturing facility that utilizes a petroleum coke, or pet coke, gasification process to produce nitrogen fertilizer. The facility includes a 1,225 ton-per-day ammonia unit, a 3,000 ton-per-day UAN unit and a gasifier complex having a capacity of 84 million standard cubic feet per day of hydrogen. The gasifier is a dual-train facility, with each gasifier able to function independently of the other, thereby providing redundancy and improving reliability.

Metals

We conduct our Metals segment through our indirect wholly owned subsidiary, PSC Metals, Inc. (“PSC Metals”). PSC Metals collects industrial and obsolete scrap metal, processes it into reusable forms and supplies the recycled metals to its customers, including electric-arc furnace mills, integrated steel mills, foundries, secondary smelters and metals brokers. PSC Metals' ferrous products include busheling, plate and structural, shredded, sheared and bundled scrap metal and other purchased scrap metal such as turnings (steel machining fragments), cast furnace iron and broken furnace iron. PSC Metals processes the scrap into a size, density and purity required by customers to meet their production needs. PSC Metals also processes non-ferrous metals, including aluminum, copper, brass, stainless steel and nickel-bearing metals. Non-ferrous products are a significant raw material in the production of aluminum and copper alloys used in manufacturing. PSC Metals also operates a steel products business that includes the supply of secondary plate and structural grade pipe that is sold into niche markets for counterweights, piling and foundations, construction materials and infrastructure end-markets.

Railcar

We conduct our Railcar segment through our majority ownership interests in ARI and American Railcar Leasing, LLC ("ARL"). Pursuant to a contribution agreement dated September 20, 2013 (the "ARL Contribution Agreement"), we acquired a 75% economic interest in ARL in October 2013. Pursuant to the ARL Contribution Agreement, on January 1, 2014, we contributed AEP Leasing, LLC, a wholly owned indirect subsidiary of ours, to ARL.

ARI manufactures railcars that are offered for sale or lease, custom and standard railcar components and other industrial products, primarily aluminum and special alloy steel castings. These products are sold to various types of companies including leasing companies, industrial companies, shippers and Class I railroads. ARI leases railcars that it manufactures to certain markets that include the energy, food and agriculture, chemical, minerals and petrochemical industries. ARI provides railcar services consisting of railcar repair services, ranging from full to light repair, engineering and on-site repairs and maintenance through its various repair facilities, including mini repair shops and mobile repair units.

ARL is engaged in the business of leasing railcars to customers with specific requirements whose products require specialized railcars dedicated to transporting, storing, and preserving the integrity of their products. These products are primarily in the energy, food and agriculture, chemical, minerals and petrochemical industries.

Transactions between ARI and ARL have been eliminated in consolidation.

As of September 30, 2015, we owned approximately 59.3% of the total outstanding common stock of ARI and had a 75.0% economic interest in ARL.

Gaming

We conduct our Gaming segment through our majority ownership in Tropicana. Tropicana currently owns and operates a diversified, multi-jurisdictional collection of casino gaming properties. The eight casino facilities it operates feature approximately 392,000 square feet of gaming space with 8,000 slot machines, 300 table games and 5,500 hotel rooms with two casino facilities located in Nevada and one in each of Mississippi, Missouri, Indiana, Louisiana, New Jersey and Aruba.

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As of September 30, 2015, we owned approximately 67.9% of the total outstanding common stock of Tropicana.

Mining

We conduct our Mining segment through our majority ownership in Ferrous Resources. As discussed below, we obtained control of and consolidated the results of Ferrous Resources during the second quarter of 2015.

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. Ferrous Resources has acquired significant iron ore assets in the State of Minas Gerais, Brazil, known as Viga, Viga Norte, Esperança, Serrinha and Santanense. In addition, Ferrous Resources has acquired certain mineral rights near Jacuípe in the State of Bahia, Brazil. Of the assets acquired, Viga, Esperança and Santanense are already extracting and producing iron ore, while the other assets are at an early stage of exploration.

In response to the current depressed iron ore price environment, Ferrous Resources decided to temporarily suspend Esperança's and Santanense's operations during the first quarter of 2015 in order to study alternatives to further reduce cost of production and improve product quality and therefore to improve profitability and margin per metric ton.

Acquisition

On April 25, 2015, IEP Ferrous Brazil LLC ("IEP Ferrous"), a wholly owned subsidiary of ours, entered into an agreement which provided that IEP Ferrous would launch a tender offer to purchase any and all of the outstanding shares of Ferrous Resources for $0.36 per share and backstop a certain rights offering of up to $40 million.

Prior to the tender offer, IEP Ferrous owned approximately 14.1% of the total outstanding shares of Ferrous Resources. As a result of the tender offer, IEP Ferrous obtained control of Ferrous Resources through the purchase of additional shares of Ferrous Resources on June 8, 2015 (the acquisition date), and additional shares of Ferrous Resources on June 26, 2015 for a combined aggregate tender consideration of $180 million. In addition, on June 26, 2015, pursuant to a certain rights offering, we purchased additional shares of Ferrous Resources for an aggregate consideration of $29 million. As a result, as of September 30, 2015, we owned approximately 77.2% of the total outstanding common stock of Ferrous Resources.

Prior to obtaining a controlling interest, we remeasured our equity interest in Ferrous Resources to its acquisition-date fair value of $36 million, resulting in a $4 million loss on investment activities.

A preliminary valuation of the net assets of the Ferrous Resources business acquisition resulted in $356 million allocated to tangible net assets and $6 million allocated to goodwill as of the acquisition date. Because IEP Ferrous is in the process of finalizing certain customary post-closing adjustments, the provisional measurements of net assets are subject to change. The valuation of net assets was performed utilizing cost, income and market approaches. The acquisition of Ferrous Resources was not material, individually or in the aggregate with the TRW engine components business acquisition and the IEH Auto acquisition, to our condensed consolidated financial statements.

Food Packaging

We conduct our Food Packaging segment through our majority ownership in Viskase Companies, Inc. ("Viskase"). Viskase is a worldwide leader in the production and sale of cellulosic, fibrous and plastic casings for the processed meat and poultry industry. Viskase currently operates nine manufacturing facilities and six distribution centers throughout North America, Europe, South America and Asia and derives approximately 70% of its total net sales from customers located outside the United States.

As of September 30, 2015, we owned approximately 73.3% of the total outstanding common stock of Viskase.

Real Estate

Our Real Estate segment consists of rental real estate, property development and club operations.

As of September 30, 2015, we owned 15 commercial rental real estate properties. We sold 14 commercial rental properties during the nine months ended September 30, 2015. Our property development operations are run primarily through Bayswater Development LLC, a real estate investment, management and development subsidiary that focuses primarily on the construction and sale of single-family and multi-family homes, lots in subdivisions and planned communities and raw land for residential development. Our New Seabury development property in Cape Cod, Massachusetts and our Grand Harbor development property in Vero Beach, Florida include land for future residential development of approximately 239 and 1,128

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units of residential housing, respectively. Both developments operate golf and club operations as well. During the nine months ended September 30, 2015, we sold the Oak Harbor development and operations, which historically operated as part of Grand Harbor. In addition, our Real Estate segment owns an unfinished development property which is located on approximately 23 acres in Las Vegas, Nevada.

As of September 30, 2015 and December 31, 2014, $28 million and $31 million, respectively, of the net investment in financing leases and net real estate leased to others which is included in property, plant and equipment, net, were pledged to collateralize the payment of nonrecourse mortgages payable.

Home Fashion

We conduct our Home Fashion segment through our indirect wholly owned subsidiary, WestPoint Home LLC ("WPH"), a manufacturer and distributor of home fashion consumer products. WPH is engaged in the business of designing, marketing, manufacturing, sourcing, distributing and selling home fashion consumer products. WPH markets a broad range of manufactured and sourced bed, bath, basic bedding, and other textile products, including sheets, pillowcases, bedspreads, quilts, comforters and duvet covers, bath and beach towels, bath accessories, bed skirts, bed pillows, flocked blankets, woven blankets and throws and mattress pads. WPH recognizes revenue primarily through the sale of home fashion products to a variety of retail and institutional customers. In addition, WPH receives a small portion of its revenues through the licensing of its trademarks.

3. Related Party Transactions.

Our 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 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

Mr. Icahn, along with his affiliates (excluding Icahn Enterprises and Icahn Enterprises Holdings), makes investments in the Investment Funds. During the nine months ended September 30, 2015, affiliates of Mr. Icahn made investments aggregating $246 million in the Investment Funds. As of September 30, 2015 and December 31, 2014, 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 $4.9 billion and $4.8 billion, respectively, representing approximately 54% and 53%, respectively, of the Investment Funds' assets under management.

Icahn Capital LP ("Icahn Capital") 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); such expenses are allocated to Icahn Capital 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 are reimbursed by the Investment Funds, generally when such expenses are paid. For the three months ended September 30, 2015 and 2014, $(24) million and $36 million, respectively, were allocated to the Investment Funds based on this expense-sharing arrangement. The expense reversal for the three months ended September 30, 2015 was primarily due to a reversal of performance related compensation expense accrual. For the nine months ended September 30, 2015 and 2014, $204 million and $138 million, respectively, were allocated to the Investment Funds based on this expense-sharing arrangement.

Railcar

Agreements with ACF Industries LLC

ARI has from time to time purchased components from ACF Industries LLC ("ACF"), an affiliate of Mr. Icahn, under a long-term agreement, as well as on a purchase order basis. ACF is a manufacturer and fabricator of specialty railcar parts and miscellaneous steel products. Under the manufacturing services agreement entered into in 1994 and amended in 2005, ACF agreed to manufacture and distribute, at ARI’s instruction, various railcar components. In consideration for these services, ARI agreed to pay ACF based on agreed upon rates. The agreement automatically renews unless written notice is provided by ARI.

Also in April 2015, ARI entered into a parts purchasing and sale agreement with ACF. The agreement was unanimously approved by the independent directors of ARI’s and Icahn Enterprises' audit committee. Under this agreement, ARI and ACF

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may, from time to time, purchase and sell to each other certain parts for railcars ("Railcar Parts"). ARI also provides a non-exclusive and non-assignable license of certain intellectual property related to the manufacture and sale of Railcar Parts to ARI. The buyer under the agreement must pay the market price of the parts as determined in the agreement or as stated on a public website for all ARI buyers. ARI may provide designs, engineering and purchasing support, including all materials and components to ACF. Subject to certain early termination events, the agreement terminates on December 31, 2020.

ARI purchased $4 million and $1 million of components from ACF during the three months ended September 30, 2015 and 2014, respectively, and $13 million and $2 million for the nine months ended September 30, 2015 and 2014, respectively.

In January 2013, ARI entered into a purchasing and engineering services agreement and license with ACF. The agreement was unanimously approved by the independent directors of ARI’s and Icahn Enterprises' audit committee on the basis that the terms of the agreement were not materially less favorable to ARI than those that could have been obtained in a comparable transaction with an unrelated person. Under this agreement, ARI provides purchasing support and engineering services to ACF in connection with ACF’s manufacture and sale of tank railcars at its facility in Milton, Pennsylvania. Additionally, ARI has granted ACF a nonexclusive, non-assignable license to certain of ARI’s intellectual property, including certain designs, specifications, processes and manufacturing know-how required to manufacture and sell tank railcars during the term of the agreement. In August 2014, ARI and ACF amended this agreement to, among other provisions, extend the termination date to December 31, 2015 from December 31, 2014, subject to certain early termination events.

In consideration for the services and license provided by ARI to ACF in conjunction with the agreement, ACF pays ARI a royalty and, if any, a share of the net profits ("ACF Profits") earned on each railcar manufactured and sold by ACF under the agreement, in an aggregate amount equal to 30% of such ACF Profits, as calculated under the agreement. ACF Profits are net of certain of ACF’s start-up and shutdown expenses and certain maintenance capital. If no ACF Profits are realized on a railcar manufactured and sold by ACF pursuant to the agreement, ARI will still be entitled to the royalty for such railcar and will not share in any losses incurred by ACF in connection therewith. In addition, any railcar components supplied by ARI to ACF for the manufacture of these railcars are provided at fair market value.

Under the agreement, ACF had the exclusive right to manufacture and sell subject tank railcars for any new orders scheduled for delivery to customers on or before January 31, 2014. ARI has the exclusive right to any sales opportunities for such tank railcars for any new orders scheduled for delivery after that date and through termination of the agreement. ARI also has the right to assign any sales opportunity to ACF, and ACF has the right, but not the obligation, to accept such sales opportunity. Any sales opportunity accepted by ACF will not be reflected in ARI’s orders or backlog.

ARI's revenues under this agreement were $3 million and $4 million for the three months ended September 30, 2015 and 2014, respectively, and $9 million and $16 million for the nine months ended September 30, 2015 and 2014, respectively, for sales of railcar components to ACF and for royalties and profits on railcars sold by ACF.

In April 2015, ARI entered into a repair services and support agreement with ACF. The agreement was unanimously approved by the independent directors of ARI’s and Icahn Enterprises' audit committee. Under this agreement, ARI provides certain sales and administrative and technical services, materials and purchasing support and engineering services to ACF to provide repair and retrofit services ("Repair Services"). Additionally, ARI provides a non-exclusive and non-assignable license of certain intellectual property related to the Repair Services for railcars. ARI receives 30% of the net profits (as defined in the agreement) for Repair Services related to all railcars not owned by ARL or its subsidiaries and 20% of the net profits for Repair Services related to all railcars owned by ARL or its subsidiaries, if any, but does not absorb any losses incurred by ACF.

Under the agreement, ARI has the exclusive right to sales opportunities related to Repair Services, except for any sales opportunity related to Repair Services presented to ACF by ARL with respect to ARL-owned railcars. ARI also has the right to assign any sales opportunities related to Repair Services to ACF, and ACF has the right, but not the obligation, to accept such sales opportunity. Subject to certain early termination events, the agreement terminates on December 31, 2020.

No revenues have been recorded under this agreement in 2015.

In April 2013, AEP Leasing entered into an agreement (the "ACF Agreement") with ACF whereby AEP Leasing would purchase a total of 1,050 railcars from ACF in 2013 and 2014 for an aggregate purchase price of approximately $150 million. Additionally, AEP Leasing had an option to purchase an additional 500 railcars for an aggregate purchase price of approximately $70 million. During the second quarter of 2014, AEP Leasing exercised its option to purchase an additional 296 railcars for an aggregate purchase price of $42 million.

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The ACF Agreement was assumed by ARL in connection with our purchase of a 75.0% economic interest in ARL. The ACF Agreement was unanimously approved by Icahn Enterprises' audit committee consisting of independent directors, who were advised by independent counsel and an independent financial advisor on the basis that the terms were not less favorable than those terms that could have been obtained in a comparable transaction with an unaffiliated third party. Under this agreement, purchases of railcars from ACF were zero and $36 million for the three months ended September 30, 2015 and 2014, respectively, and $9 million and $99 million for the nine months ended September 30, 2015 and 2014, respectively.

In addition to the above purchases, on a contract-by-contract basis, ARL purchased $16 million and $43 million of railcars from ACF for the three and nine months ended September 30, 2015, respectively.

Insight Portfolio Group LLC

Icahn Sourcing, LLC ("Icahn Sourcing") was an entity formed and controlled by Mr. Icahn in order to maximize the potential buying power of a group of entities in negotiating with a wide range of suppliers of goods, services and tangible and intangible property at negotiated rates. Icahn Enterprises was a member of the buying group in 2012. Prior to December 31, 2012 Icahn Enterprises did not pay Icahn Sourcing any fees or other amounts with respect to the buying group arrangement.

In December 2012, Icahn Sourcing advised Icahn Enterprises that effective January 1, 2013 it would restructure its ownership and change its name to Insight Portfolio Group LLC (“Insight Portfolio Group”). In connection with the restructuring, Icahn Enterprises Holdings acquired 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 Icahn Enterprises Holdings, including Federal-Mogul, CVR, Tropicana, ARI, ARL, Viskase, PSC Metals and WPH also acquired minority equity interests in Insight Portfolio Group and agreed to pay a portion of Insight Portfolio Group's operating expenses. A number of other entities with which Mr. Icahn has a relationship also acquired equity interests in Insight Portfolio Group and also agreed to pay certain of Insight Portfolio Group's operating expenses. For each of three and nine months ended September 30, 2015 and 2014, immaterial amounts were paid in respect to certain of the Insight Portfolio Group's operating expenses.

4. Investments and Related Matters.

Investment

Investments, and securities sold, not yet purchased consist of equities, bonds, bank debt and other corporate obligations, and derivatives, all of which are reported at fair value in our condensed consolidated balance sheets. See Note 5, "Fair Value Measurements - Investment," for details of the investments for our Investment segment.

Our Investment segment assesses the applicability of equity method accounting with respect to their investments based on a combination of qualitative and quantitative factors, including overall stock ownership of the Investment Funds combined with those of our affiliates along with board of directors representation.

Our Investment segment applied the fair value option to certain of its investments that would have otherwise been subject to the equity method of accounting. As of both September 30, 2015 and December 31, 2014, the fair value of these investments was less than $1 million. During the three months ended September 30, 2015 and 2014, our Investment segment recorded gains (losses) of less than $1 million and $(1) million, respectively, associated with these investments. During the nine months ended September 30, 2015 and 2014, our Investment segment recorded gains of less than $1 million and $1 million, respectively, associated with these investments. Such amounts are included in net (loss) gain from investment activities in our condensed consolidated statements of operations.

We believe that these investments to which we applied the fair value option are not material, individually or in the aggregate, to our condensed consolidated financial statements.

The portion of trading losses that relates to trading securities still held by our Investment segment for the three months ended September 30, 2015 and 2014 was approximately $2.2 billion and $869 million, respectively, and for the nine months ended September 30, 2015 and 2014 was approximately $1.9 billion and $259 million, respectively.

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Other Segments

The carrying value of investments held by our Automotive, Energy, Railcar and Gaming segments and our Holding Company consist of the following:

	September 30, 2015	December 31, 2014
	(in millions)	
Equity method investments	$309	$298
Other investments	202	241
	$511	$539

Our Holding Company applies the fair value option to its investments that would otherwise be subject to the equity method of accounting. We record unrealized gains and losses for the change in fair value of such investments as a component of net (loss) gain from investment activities in the condensed consolidated statements of operations.

During the nine months ended September 30, 2015, our Energy segment received proceeds of $68 million for the sale of a portion of its investment in available-for-sale securities. The aggregate cost basis for the available-for-sale securities sold was $48 million. Upon the sale of the available-for-sale securities, our Energy segment reclassified an unrealized gain of $20 million from accumulated other comprehensive loss and recognized a realized gain in net (loss) gain from investment activities in the condensed consolidated statements of operations for the nine months ended September 30, 2015. At the end of the first quarter of 2015, our Energy segment's remaining available-for-sale securities, with an aggregate cost basis of $26 million, were reclassified to trading securities based on our Energy segment's ability and intent with respect to the securities. In connection with the transfer to trading securities, an unrealized gain of $12 million previously recorded in accumulated other comprehensive loss was reclassified to net (loss) gain from investment activities in the condensed consolidated statements of operations for the nine months ended September 30, 2015. During the second quarter of 2015, the trading securities were sold, and our Energy segment received proceeds of $38 million and recognized an additional realized gain of less than $1 million in net (loss) gain from investment activities in the condensed consolidated statements of operations for the nine months ended September 30, 2015.

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5. Fair Value Measurements.

U.S. GAAP requires enhanced disclosures about investments and non-recurring non-financial assets and non-financial 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 as of the reporting date. The types of investments included in Level 1 include listed equities and listed derivatives. We do not adjust the quoted price for these investments, even in situations where we hold a large position.

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. Investments that are generally included in this category include corporate bonds and loans, less liquid and restricted equity securities and certain over-the-counter derivatives. The inputs and assumptions of our Level 2 investments are derived from market observable sources including reported trades, broker/dealer quotes and other pertinent data.

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

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

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Investment
The following table summarizes the valuation of the Investment Funds' investments and derivative contracts by the above fair value hierarchy levels as of September 30, 2015 and December 31, 2014:

	September 30, 2015				December 31, 2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets	(in millions)							
Investments:								
Equity securities[1]:								
Basic materials	$816	$—	$—	$816	$—	$—	$—	$—
Communications	356	—	—	356	2,846	—	—	2,846
Consumer, non-cyclical	3,493	—	—	3,493	2,308	—	—	2,308
Consumer, cyclical	166	—	—	166	436	—	—	436
Diversified	20	—	—	20	23	—	—	23
Energy	1,795	—	—	1,795	1,895	—	—	1,895
Financial	128	108	—	236	417	—	—	417
Industrial	176	—	—	176	79	20	—	99
Technology	5,825	44	—	5,869	5,635	—	—	5,635
	12,775	152	—	12,927	13,639	20	—	13,659
Corporate debt:								
Consumer, cyclical	—	—	63	63	—	—	75	75
Energy	—	1	—	1	—	19	—	19
Financial	—	—	—	—	—	7	—	7
Utilities	—	16	—	16	—	28	—	28
	—	17	63	80	—	54	75	129
Mortgage-backed securities:								
Financial	—	164	—	164	—	173	—	173
	12,775	333	63	13,171	13,639	247	75	13,961
Derivative contracts, at fair value[2]	—	749	—	749	—	3	—	3
	$12,775	$1,082	$63	$13,920	$13,639	$250	$75	$13,964
Liabilities								
Securities sold, not yet purchased, at fair value[1]:								
Equity securities:								
Basic Materials	$—	$3	$—	$3	$—	$—	$—	$—
Communications	—	—	—	—	—	—	—	—
Consumer, non-cyclical	—	—	—	—	—	—	—	—
Consumer, cyclical	1,121	—	—	1,121	334	—	—	334
Energy	—	—	—	—	—	—	—	—
Financial	—	—	—	—	—	—	—	—
Funds	—	113	—	113	—	—	—	—

Industrials	—	21	—	21	—	—	—	—
	1,121	137	—	1,258	334	—	—	334
Debt securities:								
Funds	—	—	—	—	—	3	—	3
	1,121	137	—	1,258	334	3	—	337
Derivative contracts, at fair value[3]	—	92	—	92	—	614	—	614
	$1,121	$229	$—	$1,350	$334	$617	$—	$951

(1) At September 30, 2015, equity forward contracts and equity call options are included in Level 2 Investments - Financial, Technology and Industrial. At September 30, 2015, written put options are included in Level 2 Investments - Basic Materials and Funds. At December 31, 2014, equity call options are included in Level 2 Investments - Industrial and written put options on debt securities are included in Level 2 Investments - Funds.

(2) Included in other assets in our condensed consolidated balance sheets.

(3) Included in accrued expenses and other liabilities in our condensed consolidated balance sheets.

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The changes in investments measured at fair value on a recurring basis for which our Investment segment has used Level 3 input to determine fair value are as follows:

	Nine Months Ended September 30,	
	2015	2014
	(in millions)	
Balance at January 1	$75	$287
Gross realized and unrealized losses included in earnings	(12)	(100)
Distribution-in-kind	—	(110)
Gross proceeds	—	(2)
Balance at September 30	$63	$75

Unrealized losses of $12 million and $33 million were included in earnings related to Level 3 investments still held at September 30, 2015 and 2014, respectively, by our Investment segment. Total realized and unrealized gains and losses recorded for Level 3 investments are reported in net (loss) gain from investment activities in our condensed consolidated statements of operations.

The Investment Funds held one Level 3 corporate debt investment at September 30, 2015. In prior periods, in determining the fair value of this investment, we performed a yield analysis of comparable loans to which we applied a risk premium. As a result of the underlying company's performance and bankruptcy filing in the third quarter of 2014, however, we determined that it was more appropriate to measure the fair value of our debt investment through an enterprise value analysis.

Other Segments and Holding Company

The following table summarizes the valuation of our Automotive, Energy and Gaming segments and our Holding Company investments, derivative contracts and other liabilities by the above fair value hierarchy levels as of September 30, 2015 and December 31, 2014:

	September 30, 2015				December 31, 2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets	(in millions)							
Marketable equity and debt securities	$11	$—	$191	$202	$75	$3	$108	$186
Trading securities	—	—	—	—	—	—	55	55
Derivative contracts, at fair value[1]	—	29	—	29	—	47	—	47
	$11	$29	$191	$231	$75	$50	$163	$288
Liabilities								
Other liabilities	$—	$—	$—	$—	$—	$50	$—	$50
Derivative contracts, at fair value[2]	—	3	—	3	—	2	—	2
	$—	$3	$—	$3	$—	$52	$—	$52

(1) Amounts are classified within other assets in our condensed consolidated balance sheets.
(2) Amounts are classified within accrued expenses and other liabilities in our condensed consolidated balance sheets.

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The changes in investments measured at fair value on a recurring basis for which our Gaming segment and Holding Company have used Level 3 inputs to determine fair value are as follows:

	Nine Months Ended September 30,	
	2015	2014
	(in millions)	
Balance at January 1	$154	$138
Transfer out	(46)	—
Net realized and unrealized losses	(28)	(97)
Distribution-in-kind	—	110
Purchases, additions and settlements, net	102	2
Balance at September 30	$182	$153

Unrealized losses of $28 million and $97 million were included in earnings related to Level 3 investments still held as of September 30, 2015 and 2014, respectively, by our Gaming segment and Holding Company. Total realized and unrealized gains and losses recorded for Level 3 investments are reported in net (loss) gain from investment activities in our condensed consolidated statements of operations.

Our Gaming segment has certain debt securities that are classified as held-to-maturity since our Gaming segment has the ability and intent to hold these bonds to maturity. These debt securities are initially recorded at a discount to approximate fair value. After the initial determination of fair value, our Gaming segment analyzes recoverability of these bonds on a quarterly basis and record changes in fair value based on its historical collection experience and certain other information.

During the second quarter of 2015, the Holding Company made a certain available-for-sale investment of $100 million, which is considered a Level 3 investment due to unobservable market data. As of September 30, 2015, the fair value of this investment was $100 million and was based on the initial purchase price as there was little activity that could have potentially impacted its fair value after our initial investment. In future periods, we will determine the fair value of this investment using internally developed models and other valuation techniques.

During the second quarter of 2015, the Holding Company obtained control of, and consolidated, Ferrous Resources, which was previously considered a Level 3 investment due to unobservable market data. The fair value of our investment in Ferrous Resources immediately prior to obtaining control was $36 million, which was transferred out of Level 3 investment during the second quarter of 2015. See Note 2, "Operating Units - Mining," for further discussion. In addition, during the third quarter of 2015, our Gaming segment received $10 million as reimbursement for certain approved capital expenditures.

On June 30, 2014, the Investment Funds made a distribution-in-kind of a certain Level 3 corporate debt investment in the amount of $110 million to the Holding Company. In prior periods, in determining the fair value of this investment, we performed a yield analysis of comparable loans to which we applied a risk premium. As a result of the underlying company's performance and bankruptcy filing in the third quarter of 2014, however, we determined that it was more appropriate to measure the fair value of our debt investment through an enterprise value analysis.

Adjustments of Assets to Fair Value

During each of the three and nine months ended September 30, 2015 and 2014 we had assets measured at fair value on a non-recurring basis that are considered Level 3 assets. Property, plant and equipment with an aggregate carrying value of $27 million was written down to an aggregate fair value of $17 million, resulting in an impairment charge of $6 million and $10 million in the condensed consolidated statements of operations for the three and nine months ended September 30, 2015, respectively. Property, plant and equipment with an aggregate carrying value of $17 million was written down to an aggregate fair value of $11 million, resulting in an impairment charge of $4 million and $6 million in the condensed consolidated statements of operations for the three and nine months ended September 30, 2014, respectively.

We determined the fair value of property, plant and equipment by applying probability weighted, expected present value techniques to the estimated future cash flows using assumptions a market participant would utilize.

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6. Financial Instruments.

Certain derivative contracts with a single counterparty executed by the Investment Funds, by our Automotive segment with a single counterparty or by our Energy segment with a single counterparty, or by our Holding Company 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. As a result, the net exposure to counterparties is reported in either other assets or accrued expenses and other liabilities in our condensed consolidated balance sheets.

Investment Segment and Holding Company

The Investment Funds currently maintain cash deposits and cash equivalents with financial institutions. Certain account balances may not be covered by the Federal Deposit Insurance Corporation, while other accounts may exceed federally insured limits. The Investment Funds have prime broker arrangements in place with multiple prime brokers as well as a custodian bank. The Investment Funds also have relationships with several financial institutions with which they trade derivative and other financial instruments.

In the normal course of business, the Investment Funds and the Holding Company 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' and the Holding Company's 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.

Securities sold, not yet purchased, at fair value represent obligations to deliver the specified security, thereby creating a liability to repurchase the security in the market at prevailing prices. Accordingly, these transactions result in off-balance-sheet risk, as the satisfaction of the obligations may exceed the amount recognized in our condensed consolidated balance sheets. Our investments in securities and amounts due from brokers are partially restricted until we satisfy the obligation to deliver the securities sold, not yet purchased.

The Investment Funds and the Holding Company may enter into derivative contracts, including swap contracts, futures contracts and option contracts. The Investment Funds may also enter into foreign currency derivative contracts with the objective of capital appreciation or to economically hedge against foreign currency exchange rate risks on all or a portion of their non-U.S. dollar denominated investments.

The Investment Funds and the Holding Company 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 and the Holding Company 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 and the Holding Company 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 and the Holding Company. When the contract is closed, the Investment Funds and the Holding Company 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 and the Holding Company 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' and the Holding Company's exposure to credit risk associated with non-performance of such forward contracts is limited to the unrealized gains or losses inherent in such contracts, which are recognized in other assets and accrued expenses and other liabilities in our condensed consolidated balance sheets.

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

The Investment Funds may also purchase and write option contracts. As a writer of option contracts, the Investment Funds receive a premium at the outset and then bear the market risk of unfavorable changes in the price of the underlying financial instrument. As a result of writing option contracts, the Investment Funds are obligated to purchase or sell, at the holder's option, the underlying financial instrument. Accordingly, these transactions result in off-balance-sheet risk, as the Investment Funds' satisfaction of the obligations may exceed the amount recognized in our condensed consolidated balance sheets. At September 30, 2015, the maximum payout amounts relating to certain put options written by the Investment Funds were approximately $5.7 billion, of which approximately $5.7 billion related to covered put options on existing short positions on certain stock and credit indices. At December 31, 2014, the maximum payout amounts relating to certain put options written by the Investment Funds were approximately $2.5 billion, of which approximately $2.4 billion related to covered put options on existing short positions on certain stock and credit indices. As of September 30, 2015 and December 31, 2014, there were unrealized losses of $35 million and less than $1 million, respectively, with respect to these put options.

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 September 30, 2015 and December 31, 2014 was $92 million and $614 million, respectively.

At September 30, 2015 and December 31, 2014, the Investment Funds had $905 million and approximately $1.2 billion, respectively, posted as collateral for derivative positions, including those derivative instruments with credit-risk-related contingent features; these amounts are included in cash held at consolidated affiliated partnerships and restricted cash in our condensed consolidated balance sheets.

U.S. GAAP requires the disclosure of information about obligations under certain guarantee arrangements. Such guarantee arrangements requiring disclosure include contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of the indebtedness of others.

Each Investment Fund's 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 brokers, brokers 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, 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.

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

The Investment Funds and the Holding Company seek to mitigate these risks by actively monitoring exposures, collateral requirements and the creditworthiness of our counterparties.

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Automotive

Commodity Price Risk

Federal-Mogul's production processes are dependent upon the supply of certain raw materials that are exposed to price fluctuations on the open market. The primary purpose of Federal-Mogul's commodity price forward contract activity is to manage the volatility associated with forecasted purchases. Federal-Mogul monitors its commodity price risk exposures regularly to maximize the overall effectiveness of its commodity forward contracts. Principal raw materials hedged include natural gas, copper, nickel, tin, zinc, high-grade aluminum and aluminum alloy. Forward contracts are used to mitigate commodity price risk associated with raw materials, generally related to purchases forecast for up to 15 months in the future.

Federal-Mogul had commodity price hedge contracts outstanding with combined notional values of $25 million and $36 million at September 30, 2015 and December 31, 2014, respectively, substantially all of which mature within one year in each of the respective periods and all of which were designated as hedging instruments for accounting purposes. Federal-Mogul has designated these contracts as cash flow hedging instruments and has a net liability position in the amount of $3 million and $1 million as of September 30, 2015 and December 31, 2014, respectively. Federal-Mogul records unrecognized gains and losses in other comprehensive income and makes regular reclassifying adjustments into cost of goods sold when amounts are recognized. Unrealized net losses of $3 million and $1 million were recorded in accumulated other comprehensive loss as of September 30, 2015 and December 31, 2014, respectively.

Foreign Currency Risk

Federal-Mogul manufactures and sells its products in North America, South America, Asia, Europe and Africa. As a result, Federal-Mogul's financial results could be significantly affected by factors such as changes in foreign currency exchange rates or weak economic conditions in foreign markets in which it manufactures and sells its products. Federal-Mogul's operating results are primarily exposed to changes in exchange rates between the U.S. dollar and various global currencies.

Federal-Mogul generally tries to use natural hedges within its foreign currency activities, including the matching of revenues and costs, to minimize foreign currency risk. Where natural hedges are not in place, Federal-Mogul considers managing certain aspects of its foreign currency activities and larger transactions through the use of foreign currency options or forward contracts. Principal currencies hedged have historically included the euro, British pound and Polish zloty. Foreign currency forwards are also used in conjunction with Federal-Mogul's commodity hedging program. As part of its hedging program, Federal-Mogul attempts to limit hedge ineffectiveness by matching terms of the commodity purchases with the hedging instrument. Federal-Mogul does not hold any foreign currency price hedge contracts as of September 30, 2015 or December 31, 2014.

Concentrations of Credit Risk

Financial instruments, which potentially subject Federal-Mogul to concentrations of credit risk, consist primarily of accounts receivable and cash investments. Federal-Mogul's customer base includes virtually every significant global light and commercial vehicle manufacturer and a large number of distributors, installers and retailers of automotive aftermarket parts. Federal-Mogul's credit evaluation process and the geographical dispersion of sales transactions help to mitigate credit risk concentration. Federal-Mogul had one Motorparts customers that accounted for 12% of its net accounts receivable balance as of September 30, 2015. Federal-Mogul requires placement of cash in financial institutions evaluated as highly creditworthy.

Energy

CVR is 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 from time to time enters into various commodity derivative transactions.

CVR has adopted accounting standards that impose extensive record-keeping requirements in order to designate a derivative financial instrument as a hedge. CVR holds derivative instruments, such as exchange-traded crude oil futures and certain over-the-counter forward swap agreements, which it believes provide an economic hedge on future transactions, but such instruments are not designated as hedges for GAAP purposes. Gains or losses related to the change in fair value and periodic settlements of these derivative instruments are included in other income, net in the condensed consolidated statements of operations.

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Commodity Swaps
CVR Refining enters into commodity swap contracts in order to fix the margin on a portion of future production. Additionally, CVR Refining may enter into price and basis swaps in order to fix the price on a portion of its commodity purchases and product sales. The physical volumes are not exchanged and these contracts are net settled with cash. The contract fair value of the commodity swaps is reflected on the condensed consolidated balance sheets with changes in fair value currently recognized in the condensed consolidated statement of operations. Quoted prices for similar assets or liabilities in active markets (Level 2) are considered to determine the fair values for the purpose of marking to market the hedging instruments at each period end. As of September 30, 2015 and December 31, 2014, CVR had open commodity hedging instruments consisting of 3.1 million and 9.1 million barrels of crack spreads, respectively, primarily to fix the margin on a portion of its future gasoline and distillate production. Additionally, as of September 30, 2015, CVR Refining had open commodity hedging instruments consisting of 1.5 million barrels primarily to fix the price on a portion of its future crude oil purchases or the basis on a portion of its future product sales. The fair value of the outstanding contracts at September 30, 2015 and December 31, 2014 was a net asset of $29 million and $47 million, respectively. For the three months ended September 30, 2015 and 2014, CVR recognized net gains of $3 million and $26 million, respectively. For the nine months ended September 30, 2015 and 2014, CVR recognized a net loss $60 million and a net gain of $171 million, respectively, which is included in other income, net in the condensed consolidated statements of operations.
Interest Rate Swaps
Coffeyville Resources Nitrogen Fertilizers, LLC ("CRNF") has two floating-to-fixed interest rate swap agreements for the purpose of hedging the interest rate risk associated with a portion of its $125 million floating rate term debt, which matures in April 2016. The aggregate notional amount covered under these agreements totals $63 million (split evenly between the two agreements) and commenced on August 12, 2011 and expires on February 12, 2016. Under the terms of the interest rate swap agreement entered into on June 30, 2011, CRNF receives a floating rate based on three-month LIBOR and pays a fixed rate of 1.940%. Under the terms of the interest rate swap agreement entered into on July 1, 2011, CRNF receives a floating rate based on three-month LIBOR and pays a fixed rate of 1.975%. Both swap agreements are settled every 90 days. The effect of these swap agreements is to lock in a fixed rate of interest of approximately 1.960% plus the applicable margin paid to lenders over three-month LIBOR as governed by the CRNF credit facility. As of both September 30, 2015 and December 31, 2014, the effective rate of the term loan facility, net of impact of the interest rate swap agreements, was approximately 4.6%. The agreements were designated as cash flow hedges at inception and accordingly, the effective portion of the gain or loss on the swap is reported as a component of accumulated other comprehensive income (loss) and will be reclassified into interest expense when the interest rate swap transaction affects earnings. The ineffective portion of the gain or loss will be recognized immediately in interest expense in the condensed consolidated statements of operations. The realized losses on the interest rate swaps reclassified from accumulated other comprehensive loss into interest expense was less than $1 million for each of the three and nine months ended September 30, 2015 and 2014.

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Consolidated Derivative Information
At September 30, 2015 and December 31, 2014, the volume of our derivative activities based on their notional exposure, categorized by primary underlying risk, is as follows:

	September 30, 2015		December 31, 2014	
	Long Notional Exposure	Short Notional Exposure	Long Notional Exposure	Short Notional Exposure
Primary underlying risk:	(in millions)			
Credit swaps[1]	$201	$1,619	$389	$1,493
Equity swaps	1	15,957	1	11,312
Foreign currency forwards	—	866	—	1,578
Interest rate swap contracts[2]	—	137	—	137
Commodity contracts	40	632	36	234

(1) The short notional amount on our credit swap positions is approximately $7.9 billion and $9.3 billion as of September 30, 2015 and December 31, 2014, respectively. However, because credit spreads cannot compress below zero, our downside short notional exposure to loss is approximately $1.6 billion and $1.5 billion as of September 30, 2015 and December 31, 2014, respectively.

(2) The short notional amount on certain of our interest rate contracts with a three month duration is approximately $16.0 billion as of both September 30, 2015 and December 31, 2014. We assume that interest rates will not fall below zero and therefore our downside short notional exposure to loss on these contracts is $74 million (of the total $137 million disclosed in the above table) as of both September 30, 2015 and December 31, 2014.

The Investment Funds also purchased equity forward contracts and wrote certain option contracts which are included in Level 2 investment securities. The volume of activities based on the notional exposure of these contracts is approximately $3.2 billion long notional exposure (equity contracts) at September 30, 2015, $108 million long notional exposure (equity contracts) at December 31, 2014 and $3 million short notional exposure (credit contracts) at December 31, 2014.

The following table presents the consolidated fair values of our derivatives that are not designated as hedging instruments:

Derivatives Not Designated as Hedging Instruments	Asset Derivatives[1] September 30, 2015	Asset Derivatives[1] December 31, 2014	Liability Derivatives[2] September 30, 2015	Liability Derivatives[2] December 31, 2014
	(in millions)			
Equity contracts	$627	$—	$315	$539
Foreign exchange contracts	—	11	1	—
Credit contracts	346	1	45	85
Interest rate swap contracts	—	1	—	—
Commodity contracts	74	47	—	—
Sub-total	1,047	60	361	624
Netting across contract types[3]	(269)	(10)	(269)	(10)
Total[3]	$778	$50	$92	$614

(1) Net asset derivatives are located within other assets in our condensed consolidated balance sheets.

(2) Net liability derivatives are located within accrued expenses and other liabilities in our condensed consolidated balance sheets.

(3) Excludes netting of cash collateral received and posted. The total collateral posted at September 30, 2015 and December 31, 2014 was approximately $0.9 billion and $1.2 billion, respectively, across all counterparties.

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The following table presents the effects of our derivative instruments not designated as hedging instruments on the statements of operations for the three and nine months ended September 30, 2015 and 2014:

Derivatives Not Designated as Hedging Instruments	Gain (Loss) Recognized in Income[1]			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(in millions)			
Equity contracts	$892	$(50)	$741	$(772)
Foreign exchange contracts	(2)	141	134	144
Credit contracts	387	163	536	133
Commodity contracts	57	26	6	171
	$1,334	$280	$1,417	$(324)

(1) Gains (losses) recognized on derivatives are classified in net (loss) gain from investment activities in our condensed consolidated statements of operations for our Investment segment and are included in other income, net for all other segments.

The Investment Funds also purchased call option contracts and equity forward contracts and wrote certain option contracts which are included in Level 2 investments. The fair market value of these positions was a net asset of $16 million and $17 million as of September 30, 2015 and December 31, 2014, respectively. These positions were included in investments in our condensed consolidated balance sheets. Included in net gain (loss) from investment activities in our condensed consolidated statements of operations related to these positions were (losses) gains of $(197) million and $(55) million for the three months ended September 30, 2015 and 2014, respectively, and $(75) million and $164 million for the nine months ended September 30, 2015 and 2014, respectively.

The following table presents the consolidated fair values of our derivative instruments that are designated as cash flow hedging instruments:

Derivatives Designated as Cash Flow Hedging Instruments	Asset Derivatives[1]		Liability Derivatives[2]	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
	(in millions)			
Interest rate swap contracts	$—	$—	$1	$1
Commodity contracts	—			