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

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

**Date of report (Date of earliest event reported): April 25, 2017**

**ASHLAND GLOBAL HOLDINGS INC.**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation)

333-211719  
(Commission File Number)

81-2587835  
(I.R.S. Employer Identification No.)

**50 E. RiverCenter Boulevard  
Covington, Kentucky 41011**  
**Registrant's telephone number, including area code (859) 815-3333**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

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

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**Item 2.02. Results of Operations and Financial Condition**

On April 25, 2017, Ashland Global Holdings Inc. (“Ashland”) announced preliminary second quarter results, which are discussed in more detail in the news release (the “News Release”) attached to this Current Report on Form 8-K (“Form 8-K”) as Exhibit 99.1, which is incorporated herein by reference into this Item 2.02.

**Item 7.01. Regulation FD Disclosure**

On April 25, 2017, Ashland will make available the News Release, a slide presentation and prepared remarks on the “Investor Center” section of Ashland’s website located at <http://investor.ashland.com>. A copy of the slide presentation and the prepared remarks are attached to this Form 8-K as Exhibits 99.2 and 99.3, respectively, and are incorporated herein by reference solely for purposes of this Item 7.01 disclosure.

**Item 8.01. Other Events**

On April 25, 2017, Ashland announced that its board of directors has approved the distribution of all its remaining interest in Valvoline Inc. to Ashland stockholders and has determined the approximate distribution ratio, record date and distribution date for the final separation. A copy of the news release is attached to this Form 8-K as Exhibit 99.4.

**Item 9.01. Financial Statements and Exhibits**

(d)	Exhibits
99.1	Earnings News Release dated April 25, 2017.
99.2	Slide Presentation dated April 25, 2017.
99.3	Prepared Remarks dated April 25, 2017.
99.4	Final Distribution News Release dated April 25, 2017.

In connection with the disclosures set forth in Items 2.02, 7.01 and 8.01 above, the information in this Form 8-K, including the exhibits attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section. The information in this Form 8-K, including the exhibits, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing. This Form 8-K will not be deemed an admission as to the materiality of any information in this Form 8-K that is required to be disclosed solely by Regulation FD.

SIGNATURES

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

ASHLAND GLOBAL HOLDINGS INC.

(Registrant)

April 25, 2017

/s/ J. Kevin Willis

J. Kevin Willis  
Senior Vice President and  
Chief Financial Officer

## EXHIBIT INDEX

- 99.1 News Release dated April 25, 2017.
- 99.2 Slide Presentation dated April 25, 2017.
- 99.3 Prepared Remarks dated April 25, 2017.
- 99.4 Final Distribution News Release dated April 25, 2017.



## News Release

### Ashland reports preliminary financial results attributable to Ashland for second quarter of fiscal 2017

- Earnings from continuing operations attributable to Ashland were \$1.42 per diluted share, compared to earnings of \$1.38 per diluted share in the year-ago period
- Adjusted earnings from continuing operations attributable to Ashland totaled \$1.71 per diluted share, compared to \$1.83 in the year-ago period
- Ashland Specialty Ingredients reported continued year-over-year growth in sales and volume; Ashland Performance Materials posted year-over-year sales and volume growth in Composites
- Acquisition of Pharmachem expected to be completed by end of June; expected to be accretive to earnings per share in first year following close of transaction

COVINGTON, KY, April 25, 2017 – Ashland Global Holdings Inc. (NYSE: ASH), a premier global specialty chemicals company serving customers in a wide range of consumer and industrial markets, and also the majority owner of Valvoline Inc. (NYSE: VVV), today announced preliminary<sup>(1)</sup> financial results for the second quarter of fiscal 2017.

### Quarterly Highlights

(in millions except per-share amounts)

	Quarter Ended Mar. 31,	
	2017	2016
Operating income	\$ 170	\$ 147
Key items*	26	46
Adjusted operating income*	\$ 196	\$ 193
Income from continuing operations	\$ 102	\$ 87
Key items*	19	28
Adjusted income from continuing operations	\$ 121	\$ 115
Net income	\$ 105	\$ 87
Adjusted EBITDA*	\$ 247	\$ 274
Diluted earnings per share (EPS)		
From net income attributable to Ashland	\$ 1.47	\$ 1.38
From continuing operations attributable to Ashland*	\$ 1.42	\$ 1.38
Key items*	0.29	0.45
Adjusted EPS from continuing operations*	\$ 1.71	\$ 1.83
Cash flows provided by operating activities from continuing operations	\$ 50	\$ 184
Free cash flow*	\$ (11)	\$ 134

\*See Tables 5, 6 and 7 for Ashland definitions and U.S. GAAP reconciliations. Certain figures exclude Ashland's non-controlling interest in Valvoline Inc.

“Ashland’s overall financial performance in the second quarter reflected progress in a number of key areas as we continue working toward our 2017 plan,” said William A. Wulfsohn, Ashland chairman and chief executive officer. “Within Ashland Specialty Ingredients, the team delivered volume growth of 4 percent and sales growth of 3 percent, with good gains in consumer end markets. In addition, the team maintained good cost discipline and initiated several price increases which partially offset the negative impact from higher-than-expected raw material costs and foreign currency during the quarter. Within Ashland Performance Materials, Composites volume grew 5 percent, while Intermediates and Solvents (I&S) volume rose 21 percent amid continued price recovery in butanediol. Meanwhile, the Valvoline team reported good gains in lubricant gallons and sales.”

He continued: “We also see a number of exciting growth opportunities with our recently announced agreement to acquire Pharmachem Laboratories, a leading provider of quality ingredients to the global health and wellness industries and high-value differentiated products to fragrance and flavor houses. This acquisition will strengthen our specialty product portfolio, particularly in higher-margin end markets. It also enhances our position in fast-growing nutraceutical end markets, opens a new opportunity within fragrances and flavors, and strengthens Ashland’s food ingredient division by adding customized functional solutions. In combining Pharmachem and Ashland, we can leverage our extensive sales channels, technical service network and global applications labs to accelerate Pharmachem’s growth while also generating significant cash flow. We expect to complete this transaction by the end of June and look forward to welcoming Pharmachem’s talented employees to the Ashland team.”

#### **Second Quarter Fiscal 2017 Results**

For the quarter ended March 31, 2017, the company reported earnings from continuing operations of \$102 million, which includes \$13 million of earnings attributable to Ashland’s non-controlling interest in Valvoline Inc., on sales of more than \$1.3 billion. These results included one key item – costs related to the Valvoline separation – that reduced income from continuing operations attributable to Ashland by approximately \$19 million, net of tax, or \$0.29 per diluted share. For the year-ago quarter, the company reported earnings from continuing operations of \$87 million, or \$1.38 per diluted share, on sales of more than \$1.2 billion. There were three key items in the year-ago quarter that, on a combined basis, reduced income from continuing operations attributable to Ashland by \$28 million after tax, or \$0.45 per diluted share. (Please refer to Table 5 of the accompanying financial statements for details of key items.) For the remainder of this news release, financial results have been adjusted to exclude the effect of key items in both the current and prior-year quarters.

On an adjusted basis, Ashland’s income from continuing operations attributable to Ashland in the second quarter of fiscal 2017 was \$1.71 per diluted share, versus \$1.83 per diluted share for the year-ago quarter.

#### **Consolidation of Valvoline Inc. Results**

Ashland completed the initial public offering of Valvoline Inc. on September 28, 2016, and Valvoline’s results are consolidated into Ashland’s results for the second quarter of fiscal 2017. Valvoline’s net income attributable to Ashland’s non-controlling interest of \$13 million, or \$0.21 per year-ago diluted share, and adjusted EBITDA of \$24 million are excluded from net income attributable to Ashland and from adjusted EBITDA for the quarter, respectively.

In a separate announcement, Ashland today said that its board of directors has approved the distribution of all its remaining interest in Valvoline to Ashland stockholders and has determined the approximate distribution ratio, record date and distribution date for the final separation. Please refer to Ashland's news release dated April 25, 2017, for more information on the final separation and share distribution.

Beginning with the June quarter, nearly all of Valvoline's results for all historical periods, including the June quarter, will be reclassified into Ashland discontinued operations.

### **Reportable Segment Performance**

To aid in the understanding of Ashland's ongoing business performance, the results of Ashland's reportable segments, other than Valvoline, are described below on an adjusted basis and EBITDA, or adjusted EBITDA, is reconciled to operating income in Table 7 of this news release. (For a more detailed review of the segment results, please refer to the Investor Relations section of ashland.com to review the slides and prepared remarks filed with the Securities and Exchange Commission in conjunction with this earnings release.) In addition, although Ashland provides forward-looking guidance for adjusted EBITDA, Ashland is not reaffirming or providing forward-looking guidance for U.S. GAAP-reported financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort.

Ashland Specialty Ingredients (ASI) reported sales growth of 3 percent, to \$544 million, and volume growth of 4 percent, driven by increased demand for Ashland's value-added products sold into the Consumer Specialties and Industrial Specialties end markets. This volume growth was offset by higher raw material costs and the strengthening dollar, the combined impact from which exceeded Ashland's original estimate for the second quarter. As a result, adjusted EBITDA of \$127 million was flat with the prior-year period. Consumer Specialties sales and volumes each grew by 2 percent compared to the prior-year period. Within Consumer Specialties, the Personal Care team generated volume growth across all end markets. In pharma, sales of our leading excipients remained strong. Target mix optimization actions reduced overall pharma volumes, but margins improved. Meanwhile, Industrial Specialties drove solid gains across all end markets, delivering total year-over-year sales and volume growth of 3 percent and 5 percent, respectively.

Amid the larger-than-expected negative impact of raw material costs and currency that emerged in the second quarter, the ASI team is continuing to take action to offset these costs through cost discipline and commercial excellence initiatives such as value-based pricing. For the third quarter, ASI sales are expected to be in the range of \$535-\$565 million. Adjusted EBITDA in the third quarter is expected to be in the range of \$123-\$133 million, versus \$128 million in the year-ago quarter. Ashland anticipates closing the Pharmachem acquisition in the June quarter. With the addition of Pharmachem's related income, we now expect ASI's adjusted EBITDA for fiscal 2017 to be in the range of \$485-\$500 million, despite the impact from raw material inflation and foreign currency. The outlook for ASI's adjusted EBITDA excludes any Pharmachem-related earnings in the third quarter, but includes an estimated \$10-\$15 million from Pharmachem in the fourth quarter.

Ashland Performance Materials (APM) reported sales of \$262 million for the second quarter, a 10 percent increase from prior year. Adjusted EBITDA was \$23 million, consistent with the outlook provided at the beginning of the quarter as solid volume growth in Composites and I&S partially offset the impact of higher raw-material costs. The Composites team generated volume growth of 5 percent during the quarter, driven by solid demand from customers in North America and

China. Prices for key raw materials – namely styrene – continued to rise early in the quarter, and were exacerbated by a force majeure at a large styrene supplier in North America. This unexpected event led to higher-than-anticipated margin compression for the quarter. The commercial team was able to recover some of these costs via pass-through pricing and, as a result, Composites sales increased by 10 percent versus prior year. The I&S team grew volume by 21 percent and sales by 8 percent, as improved demand was offset by substantially lower selling prices. I&S earnings were well below the prior year as butanediol (BDO) pricing, though recovering, remains below a year ago. However, APM continues to see the impact of recent BDO price increases announced by Ashland and other global producers.

For the third quarter of fiscal 2017, APM expects sales to be in the range of \$260-\$280 million. Adjusted EBITDA is expected to be in the range of \$27-\$33 million, versus \$30 million in the year-ago period, and reflects the impact of price increases offsetting raw material inflation. For fiscal 2017, APM is raising its outlook for adjusted EBITDA to a range of \$100-\$110 million, reflecting positive price and volume in both Composites and I&S.

Earlier this month, Ashland announced it has made a binding offer to acquire a composites resin manufacturing facility in Etain, France, from Reichhold Holdings International B.V. The facility manufactures unsaturated polyester resins (UPR) used in a variety of end markets, including transportation and construction. The transaction, which is expected to be completed by the end of June, is a unique opportunity to strengthen Ashland's cost competitiveness and position in the European composites market at a highly attractive price, and with very compelling terms and conditions.

Valvoline continued to perform well in the second quarter, with good growth in lubricant gallons and sales. For more information on Valvoline's results, please see Valvoline's second-quarter earnings release dated April 25, 2017.

Ashland's effective tax rate for the March 2017 quarter, after adjusting for key items, was 24 percent. This is below the company's previous estimate of 28-29 percent due to discrete items and income mix. For the third quarter of fiscal 2017, Ashland expects an adjusted annual effective tax rate of 10-15 percent, reflecting Ashland's global footprint and the separation of Valvoline.

### **Looking Ahead**

"Today's separate announcement that Ashland will be distributing all of its remaining interest in Valvoline to Ashland shareholders on May 12 represents the final step in our journey to create two great companies. With that final separation soon to be completed, we are focused on Ashland's two core priorities for the year – positioning Ashland to deliver against our fiscal 2017 plan and pivoting to become the premier specialty chemicals company," Wulfsohn said.

"Thus far this fiscal year, we have made great progress in multiple areas. Within ASI, we are driving sales and volume growth in the majority of our key end markets, including Personal Care, and we must build on that momentum in the second half of the year. Within APM, both the Composites and I&S teams have raised prices to help offset the expected impact of raw material inflation in the second half of fiscal 2017. Notably, we also have taken aggressive actions across the global organization to hold year-over-year SG&A constant through various cost-saving initiatives."

He continued: "During the second quarter, ASI saw increasing raw material costs and the effects of a stronger dollar. For the second half of fiscal 2017, we expect the combined impact from these factors to be approximately \$14 million versus the outlook we shared in late January. To



partially offset this incremental expense, the team is working to implement price increases and further reduce costs.

“Ashland’s second core priority is to ‘pivot’ to becoming the leading premier specialty chemicals company, one that capitalizes on its highly differentiated portfolio of specialty ingredients, delivers top-quartile EBITDA margins and growth, and consistently drives strong cash conversion. Clearly, the Pharmachem acquisition is consistent with this strategy. We are looking forward to sharing additional details on our financial targets and supporting action levers for all of Ashland during our investor day next week,” he said.

Ashland will host its Investor Day at the JW Marriott Essex House at 160 Central Park South in New York City on Monday, May 1, 2017. The presentations will begin at 8:30 am EDT and the conference will conclude by noon.

#### **Conference Call Webcast**

Ashland will host a live webcast of its second-quarter conference call with securities analysts at 9 a.m. EDT Wednesday, April 26, 2017. The webcast will be accessible through Ashland’s website at <http://investor.ashland.com>. Following the live event, an archived version of the webcast and supporting materials will be available for 12 months.

#### **Use of Non-GAAP Measures**

Ashland believes that by removing the impact of depreciation and amortization and excluding certain non-cash charges, amounts spent on interest and taxes and certain other charges that are highly variable from year to year, EBITDA and Adjusted EBITDA provide Ashland’s investors with performance measures that reflect the impact to operations from trends in changes in sales, margin and operating expenses, providing a perspective not immediately apparent from net income and operating income. The adjustments Ashland makes to derive the non-GAAP measures of EBITDA and Adjusted EBITDA exclude items which may cause short-term fluctuations in net income and operating income and which Ashland does not consider to be the fundamental attributes or primary drivers of its business. EBITDA and Adjusted EBITDA provide disclosure on the same basis as that used by Ashland’s management to evaluate financial performance on a consolidated and reportable segment basis and provide consistency in our financial reporting, facilitate internal and external comparisons of Ashland’s historical operating performance and its business units and provide continuity to investors for comparability purposes.

The free cash flow metric enables Ashland to provide a better indication of the ongoing cash being generated that is ultimately available for both debt and equity holders as well as other investment opportunities. Unlike cash flow provided by operating activities, free cash flow includes the impact of capital expenditures from continuing operations, providing a more complete picture of cash generation. Free cash flow has certain limitations, including that it does not reflect adjustment for certain non-discretionary cash flows such as mandatory debt repayments. The amount of mandatory versus discretionary expenditures can vary significantly between periods.

The non-GAAP information provided may not be consistent with the methodologies used by other companies. All non-GAAP amounts have been reconciled with reported GAAP results in Tables 5, 6 and 7 of the financial statements provided with this news release.

#### **About Ashland**

Ashland Global Holdings Inc. (NYSE: ASH) is a premier global specialty chemicals company serving customers in a wide range of consumer and industrial markets, including adhesives,

architectural coatings, automotive, construction, energy, food and beverage, personal care and pharmaceutical. At Ashland, we are 6,000 passionate, tenacious solvers – from renowned scientists and research chemists to talented engineers and plant operators – who thrive on developing practical, innovative and elegant solutions to complex problems for customers in more than 100 countries. Ashland also maintains a controlling interest in Valvoline Inc. (NYSE: VVV), a premium consumer-branded lubricant supplier. Visit [ashland.com](http://ashland.com) to learn more.

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### Forward-Looking Statements

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable terminology. These forward-looking statements include statements relating to our expectation that the proposed acquisition of Pharmachem Laboratories, Inc. (Pharmachem) will be completed before the end of the June quarter and the expected completion of the final separation of Valvoline Inc. ("Valvoline") through the distribution of Valvoline common stock. In addition, Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the SEC, news releases and other written and oral communications. These forward-looking statements are based on Ashland's expectations and assumptions, as of the date such statements are made, regarding Ashland's future operating performance and financial condition, the expected completion of the final separation of Valvoline Inc., the strategic and competitive advantages of each company, and future opportunities for each company, as well as the economy and other future events or circumstances. Ashland's expectations and assumptions include, without limitation, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: Ashland's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Ashland's future cash flows, results of operations, financial condition and its ability to repay debt); the impact of acquisitions and/or divestitures Ashland has made or may make, including the proposed acquisition of Pharmachem (including the possibility that Ashland may not complete the proposed acquisition of Pharmachem or Ashland may not realize the anticipated benefits from such transactions); and severe weather, natural disasters, and legal proceedings and claims (including environmental and asbestos matters). Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements, including, without limitation, risks and uncertainties affecting Ashland that are described in Ashland's most recent Form 10-K (including Item 1A Risk Factors) filed with the SEC, which is available on Ashland's website at <http://investor.ashland.com> or on the SEC's website at <http://www.sec.gov>. Ashland believes its expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, Ashland undertakes no obligation to update any forward-looking statements made in this news release whether as a result of new information, future events or otherwise. Information on Ashland's website is not incorporated into or a part of this news release.

### (1) Preliminary Results

Financial results are preliminary until Ashland's Form 10-Q is filed with the SEC.

™ Trademark, Ashland or its subsidiaries, registered in various countries.

### FOR FURTHER INFORMATION:

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	Three months ended		Six months ended	
	March 31		March 31	
	2017	2016	2017	2016
Sales	\$ 1,320	\$ 1,247	\$ 2,513	\$ 2,410
Cost of sales	887	823	1,694	1,595
<b>GROSS PROFIT</b>	<b>433</b>	<b>424</b>	<b>819</b>	<b>815</b>
Selling, general and administrative expense	245	258	483	483
Research and development expense	24	25	47	49
Equity and other income	6	6	18	15
<b>OPERATING INCOME</b>	<b>170</b>	<b>147</b>	<b>307</b>	<b>298</b>
Net interest and other financing expense	38	43	170	85
Net loss on divestitures	-	(2)	(1)	-
<b>INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES</b>	<b>132</b>	<b>102</b>	<b>136</b>	<b>213</b>
Income tax expense	30	15	24	35
<b>INCOME FROM CONTINUING OPERATIONS</b>	<b>102</b>	<b>87</b>	<b>112</b>	<b>178</b>
Income (loss) from discontinued operations (net of taxes)	3	-	3	(2)
<b>NET INCOME</b>	<b>105</b>	<b>87</b>	<b>115</b>	<b>176</b>
Net income attributable to noncontrolling interest	13	-	24	-
<b>NET INCOME ATTRIBUTABLE TO ASHLAND</b>	<b>\$ 92</b>	<b>\$ 87</b>	<b>\$ 91</b>	<b>\$ 176</b>
<b>DILUTED EARNINGS PER SHARE</b>				
Income from continuing operations attributable to Ashland	\$ 1.42	\$ 1.38	\$ 1.41	\$ 2.76
Income (loss) from discontinued operations	0.05	-	0.05	(0.03)
Net income attributable to Ashland	\$ 1.47	\$ 1.38	\$ 1.46	\$ 2.73
<b>AVERAGE COMMON SHARES AND ASSUMED CONVERSIONS</b>	<b>63</b>	<b>63</b>	<b>63</b>	<b>64</b>
<b>SALES</b>				
Specialty Ingredients	\$ 544	\$ 529	\$ 1,026	\$ 1,004
Performance Materials	262	239	484	470
Valvoline	514	479	1,003	936
	\$ 1,320	\$ 1,247	\$ 2,513	\$ 2,410
<b>OPERATING INCOME (LOSS)</b>				
Specialty Ingredients	\$ 74	\$ 65	\$ 114	\$ 103
Performance Materials	10	20	18	43
Valvoline	106	105	205	197
Unallocated and other	(20)	(43)	(30)	(45)
	\$ 170	\$ 147	\$ 307	\$ 298

	March 31 2017	September 30 2016
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 605	\$ 1,188
Accounts receivable	972	894
Inventories	687	671
Other assets	113	113
Total current assets	<u>2,377</u>	<u>2,866</u>
Noncurrent assets		
Property, plant and equipment		
Cost	4,364	4,343
Accumulated depreciation	2,159	2,119
Net property, plant and equipment	<u>2,205</u>	<u>2,224</u>
Goodwill	2,413	2,401
Intangibles	1,017	1,064
Restricted investments	298	292
Asbestos insurance receivable	193	196
Equity and other unconsolidated investments	61	57
Deferred income taxes	199	177
Other assets	423	420
Total noncurrent assets	<u>6,809</u>	<u>6,831</u>
Total assets	<u>\$ 9,186</u>	<u>\$ 9,697</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities		
Short-term debt	\$ 95	\$ 170
Current portion of long-term debt	16	19
Trade and other payables	520	541
Accrued expenses and other liabilities	406	486
Total current liabilities	<u>1,037</u>	<u>1,216</u>
Noncurrent liabilities		
Long-term debt	2,812	3,055
Employee benefit obligations	1,017	1,080
Asbestos litigation reserve	663	686
Deferred income taxes	69	69
Other liabilities	445	426
Total noncurrent liabilities	<u>5,006</u>	<u>5,316</u>
Total equity	<u>3,143</u>	<u>3,165</u>
Total liabilities and equity	<u>\$ 9,186</u>	<u>\$ 9,697</u>

	Three months ended March 31		Six months ended March 31	
	2017	2016	2017	2016
<b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
<b>FROM CONTINUING OPERATIONS</b>				
Net income	\$ 105	\$ 87	\$ 115	\$ 176
Loss (income) from discontinued operations (net of taxes)	(3)	-	(3)	2
Adjustments to reconcile income from continuing operations to cash flows from operating activities				
Depreciation and amortization	76	85	153	168
Original issue discount and debt issuance cost amortization	4	3	98	6
Deferred income taxes	(1)	(1)	1	1
Equity income from affiliates	(3)	(4)	(7)	(8)
Distributions from equity affiliates	3	4	4	9
Stock based compensation expense	5	8	12	17
Gain on early retirement of debt	-	-	(3)	-
Gain on available-for-sale securities	(4)	(2)	(7)	(4)
Net loss on divestitures	-	2	1	-
Pension contributions	(11)	(11)	(14)	(15)
Loss (gain) on pension and other postretirement plan remeasurements	-	23	(10)	23
Change in operating assets and liabilities (a)	(121)	(10)	(278)	(125)
<b>Total cash provided by operating activities from continuing operations</b>	<b>50</b>	<b>184</b>	<b>62</b>	<b>250</b>
<b>CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES</b>				
<b>FROM CONTINUING OPERATIONS</b>				
Additions to property, plant and equipment	(61)	(50)	(104)	(103)
Proceeds from disposal of property, plant and equipment	-	1	1	3
Purchase of operations - net of cash acquired	(48)	(63)	(48)	(66)
Proceeds (uses) from sale of operations or equity investments	(1)	15	(1)	12
Net purchase of funds restricted for specific transactions	-	-	(2)	-
Reimbursements from restricted investments	12	16	12	23
Purchases of available-for-sale securities	(19)	(4)	(19)	(4)
Proceeds from sales of available-for-sale securities	19	4	19	4
Proceeds from the settlement of derivative instruments	-	-	4	7
Payments from the settlement of derivative instruments	(2)	-	(3)	-
<b>Total cash used by investing activities from continuing operations</b>	<b>(100)</b>	<b>(81)</b>	<b>(141)</b>	<b>(124)</b>
<b>CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES</b>				
<b>FROM CONTINUING OPERATIONS</b>				
Repayment of long-term debt	(19)	(22)	(337)	(36)
Premium on long-term debt repayment	-	-	(5)	-
Proceeds (repayment) from short-term debt	3	49	(75)	368
Repurchase of common stock	-	-	-	(500)
Debt issuance costs	-	-	(4)	-
Cash dividends paid	(24)	(24)	(48)	(48)
Distributions to noncontrolling interest	(2)	-	(4)	-
Excess tax benefits related to share-based payments	2	(1)	(2)	(1)
<b>Total cash provided (used) by financing activities from continuing operations</b>	<b>(40)</b>	<b>2</b>	<b>(475)</b>	<b>(217)</b>
<b>CASH PROVIDED (USED) BY CONTINUING OPERATIONS</b>	<b>(90)</b>	<b>105</b>	<b>(554)</b>	<b>(91)</b>
Cash used by discontinued operations				
Operating cash flows	(9)	(8)	(21)	(19)
Investing cash flows	-	-	-	-
Effect of currency exchange rate changes on cash and cash equivalents	-	-	(8)	(11)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(99)</b>	<b>97</b>	<b>(583)</b>	<b>(121)</b>
Cash and cash equivalents - beginning of period	704	1,039	1,188	1,257
<b>CASH AND CASH EQUIVALENTS - END OF PERIOD</b>	<b>\$ 605</b>	<b>\$ 1,136</b>	<b>\$ 605</b>	<b>\$ 1,136</b>
<b>DEPRECIATION AND AMORTIZATION</b>				
Specialty Ingredients	\$ 53	\$ 62	\$ 107	\$ 123
Performance Materials	13	13	26	26
Valvoline	9	10	18	19
Unallocated and other	1	-	2	-
	<b>\$ 76</b>	<b>\$ 85</b>	<b>\$ 153</b>	<b>\$ 168</b>
<b>ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT</b>				
Specialty Ingredients	\$ 32	\$ 34	\$ 58	\$ 76
Performance Materials	7	5	12	9
Valvoline	19	9	27	14
Unallocated and other	3	2	7	4
	<b>\$ 61</b>	<b>\$ 50</b>	<b>\$ 104</b>	<b>\$ 103</b>

(a) Excludes changes resulting from operations acquired or sold.

	Three months ended March 31		Six months ended March 31	
	2017	2016	2017	2016
<b>SPECIALTY INGREDIENTS</b>				
Sales per shipping day	\$ 8.5	\$ 8.3	\$ 8.2	\$ 8.0
Metric tons sold (thousands)	80.7	77.3	153.3	146.0
Gross profit as a percent of sales (a)	34.8%	34.6%	33.5%	33.8%
<b>PERFORMANCE MATERIALS</b>				
Sales per shipping day	\$ 4.1	\$ 3.7	\$ 3.9	\$ 3.7
Metric tons sold (thousands)	127.9	116.3	238.5	222.5
Gross profit as a percent of sales (a)	14.7%	20.6%	15.0%	21.3%
<b>VALVOLINE</b>				
Lubricant sales (gallons)	44.9	43.7	88.1	84.2
Premium lubricants (percent of U.S. branded volumes)	49.5%	44.6%	48.4%	43.9%
Gross profit as a percent of sales (a)	38.5%	40.0%	38.2%	39.2%

(a) Gross profit as a percent of sales is defined as sales, less cost of sales divided by sales.

	<b>Three Months Ended March 31, 2017</b>				
	Specialty Ingredients	Performance Materials	Valvoline	Unallocated & Other	Total
<b>OPERATING INCOME (LOSS)</b>					
Separation costs	\$ -	\$ -	\$ -	\$ (26)	\$ (26)
All other operating income	74	10	106	6	196
Operating income (loss)	<u>74</u>	<u>10</u>	<u>106</u>	<u>(20)</u>	<u>(170)</u>
<b>NET INTEREST AND OTHER FINANCING EXPENSE</b>				38	38
<b>INCOME TAX EXPENSE (BENEFIT)</b>					
Key items				(7)	(7)
All other income tax expense				37	37
				<u>30</u>	<u>30</u>
<b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	<u>\$ 74</u>	<u>\$ 10</u>	<u>\$ 106</u>	<u>\$ (88)</u>	<u>\$ 102</u>
	<b>Three Months Ended March 31, 2016</b>				
	Specialty Ingredients	Performance Materials	Valvoline	Unallocated & Other	Total
<b>OPERATING INCOME (LOSS)</b>					
Restructuring and separation costs	\$ (2)	\$ -	\$ -	\$ (16)	\$ (18)
Losses on pension and other postretirement plan remeasurements	-	-	-	(23)	(23)
Legal reserve	-	-	-	(5)	(5)
All other operating income	67	20	105	1	193
Operating income (loss)	<u>65</u>	<u>20</u>	<u>105</u>	<u>(43)</u>	<u>147</u>
<b>NET INTEREST AND OTHER FINANCING EXPENSE</b>				43	43
<b>NET LOSS ON DIVESTITURES</b>				(2)	(2)
<b>INCOME TAX EXPENSE (BENEFIT)</b>					
Key items				(18)	(18)
All other income tax expense				33	33
				<u>15</u>	<u>15</u>
<b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	<u>\$ 65</u>	<u>\$ 20</u>	<u>\$ 105</u>	<u>\$ (103)</u>	<u>\$ 87</u>

Free cash flow (a)	Three months ended March 31		Six months ended March 31	
	2017	2016	2017	2016
Total cash flows provided by operating activities				
from continuing operations	\$ 50	\$ 184	\$ 62	\$ 250
Adjustments:				
Additions to property, plant and equipment	(61)	(50)	(104)	(103)
Free cash flows	<u>\$ (11)</u>	<u>\$ 134</u>	<u>\$ (42)</u>	<u>\$ 147</u>

(a) Free cash flow is defined as cash flows provided by operating activities less additions to property, plant and equipment and other items Ashland has deemed non operational (if applicable).



	Three months ended March 31	
	2017	2016
<b>Adjusted EBITDA - Ashland Global Holdings Inc.</b>		
Net income	\$ 105	\$ 87
Income tax expense	30	15
Net interest and other financing expense	38	43
Depreciation and amortization (a)	75	83
<b>EBITDA</b>	<b>248</b>	<b>228</b>
Income from discontinued operations (net of taxes)	(3)	-
Net income attributable to noncontrolling interest	(13)	-
Adjusted EBITDA adjustments attributable to noncontrolling interest (b)	(11)	-
Operating key items (see Table 5)	26	46
<b>Adjusted EBITDA</b>	<b>\$ 247</b>	<b>\$ 274</b>
<b>Adjusted EBITDA - Specialty Ingredients</b>		
Operating income	\$ 74	\$ 65
Add:		
Depreciation and amortization (a)	53	60
Key items (see Table 5)	-	2
<b>Adjusted EBITDA</b>	<b>\$ 127</b>	<b>\$ 127</b>
<b>Adjusted EBITDA - Performance Materials</b>		
Operating income	\$ 10	\$ 20
Add:		
Depreciation and amortization	13	13
Key items (see Table 5)	-	-
<b>Adjusted EBITDA</b>	<b>\$ 23</b>	<b>\$ 33</b>
<b>Adjusted EBITDA - Valvoline</b>		
Operating income	\$ 106	\$ 105
Add:		
Depreciation and amortization	9	10
Key items (see Table 5)	-	-
<b>Adjusted EBITDA</b>	<b>\$ 115</b>	<b>\$ 115</b>

- (a) Depreciation and amortization excludes accelerated depreciation of \$1 million for Unallocated and other and \$2 million for Specialty Ingredients for the three months ended March 31, 2017 and 2016, respectively, which are included as key items within this table.
- (b) Includes certain items attributable to the approximately 17% noncontrolling interest in Valvoline Inc. such as income tax expense, net interest and other financing expense, depreciation and amortization and separation costs.



# Second-Quarter Fiscal 2017 Earnings

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April 25, 2017



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## Forward-Looking Statements

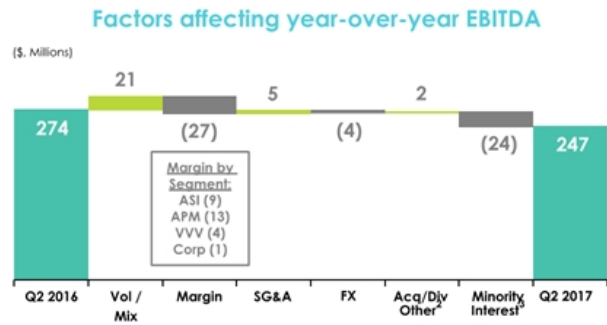
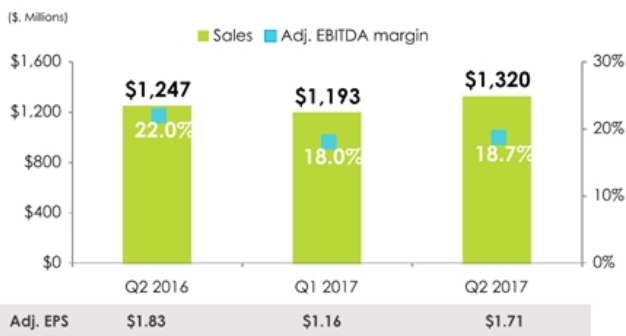
This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable terminology. These forward-looking statements include statements relating to our expectation that the proposed acquisition of Pharmachem Laboratories, Inc. (Pharmachem) will be completed before the end of the June quarter and the expected final separation of Valvoline Inc. ("Valvoline") through the distribution of Valvoline common stock. In addition, Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the SEC, news releases and other written and oral communications. These forward-looking statements are based on Ashland's expectations and assumptions, as of the date such statements are made, regarding Ashland's future operating performance and financial condition, the expected completion of the final separation of Valvoline Inc., the strategic and competitive advantages of each company, and future opportunities for each company, as well as the economy and other future events or circumstances. Ashland's expectations and assumptions include, without limitation, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: Ashland's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Ashland's future cash flows, results of operations, financial condition and its ability to repay debt); the impact of acquisitions and/or divestitures Ashland has made or may make, including the proposed acquisition of Pharmachem (including the possibility that Ashland may not complete the proposed acquisition of Pharmachem or Ashland may not realize the anticipated benefits from such transactions); and severe weather, natural disasters, and legal proceedings and claims (including environmental and asbestos matters). Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements, including, without limitation, risks and uncertainties affecting Ashland that are described in Ashland's most recent Form 10-K (including Item 1A Risk Factors) filed with the SEC, which is available on Ashland's website at <http://investor.ashland.com> or on the SEC's website at <http://www.sec.gov>. Ashland believes its expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, Ashland undertakes no obligation to update any forward-looking statements made in this presentation whether as a result of new information, future events or otherwise. Information on Ashland's website is not incorporated into or a part of this presentation.

## Regulation G: Adjusted Results

The information presented herein regarding certain unaudited adjusted results does not conform to generally accepted accounting principles in the United States (U.S. GAAP) and should not be construed as an alternative to the reported results determined in accordance with U.S. GAAP. Ashland has included this non-GAAP information to assist in understanding the operating performance of the company and its reportable segments. The non-GAAP information provided may not be consistent with the methodologies used by other companies. All non-GAAP information related to previous Ashland filings with the SEC has been reconciled with reported U.S. GAAP results.



# Fiscal Second Quarter 2017 Highlights<sup>1</sup>



- Reported GAAP earnings from continuing operations of \$1.42 per diluted share
- Adjusted earnings of \$1.71 vs. \$1.83 per diluted share in prior year
- Total sales growth of 6 percent to \$1.32 billion
- Ashland Specialty Ingredients continued to deliver **sales and volume growth**
- Signed a definitive agreement to acquire Pharmachem Laboratories, Inc.

1 Ashland's earnings releases dated April 25, 2017, and January 26, 2017, available on Ashland's website at <http://investor.ashland.com>, reconcile adjusted amounts to amounts reported under GAAP.  
 2 Acquisitions include OCH International, Inc. and Time-It Lube.  
 3 The three months ended March 31, 2017 excludes adjusted EBITDA attributable to non-controlling interest of Valvoline Inc. of \$24 million.



# Consolidated Income Statement

Ashland Income Statement	
Sales	
Gross profit as a percent of sales	
Selling, general and admin./R&D costs	
Operating income	
Operating income as a percent of sales	
Depreciation and amortization	
Earnings before interest, taxes, depreciation and amortization (EBITDA)	
EBITDA as a percent of sales	

Line items include Valvoline segment amounts consistent with Ashland's historical reporting practice

EBITDA and net income **exclude** the 17% of Valvoline net income attributable to Ashland's non-controlling interest

- For more information on Valvoline results, refer to the Valvoline Inc. second-quarter earnings release dated April 25, 2017 and earnings conference call

# Fiscal Second Quarter – Continuing Operations

## Key Items Affecting Income

(\$ in millions, except EPS) Preliminary	Operating Income				Total		
	Ashland Specialty Ingredients	Ashland Performance Materials	Valvoline	Unallocated and Other	Pre-tax	After-tax	Earnings per Share
<b>2017</b>							
Separation costs				\$ (26)	\$ (26)	\$ (19)	\$ (0.29)
<b>Total</b>				\$ (26)	\$ (26)	\$ (19)	\$ (0.29)
<b>2016</b>							
Restructuring & separation costs	\$ (2)			\$ (16)	\$ (18)	\$ (14)	\$ (0.23)
Losses on pension and other post retirement plan remeasurements				(23)	(23)	(11)	(0.17)
Legal reserve				(5)	(5)	(3)	(0.05)
<b>Total</b>	\$ (2)			\$ (44)	\$ (46)	\$ (28)	\$ (0.45)

- Excluding intangible amortization, adjusted EPS would have been 22 cents higher, or \$1.93 per diluted share

# Adjusted Results Summary<sup>1</sup>

(\$ in millions) Preliminary	Fiscal Second Quarter			Three months ended	
	Three months ended Mar. 31,			Dec. 31,	
	2017	2016	Change	2016	Change
<b>Sales</b>	<b>\$1,320</b>	<b>\$1,247</b>	<b>6 %</b>	<b>\$1,193</b>	<b>11 %</b>
<b>Gross profit as a percent of sales</b>	<b>32.8 %</b>	<b>34.9 %</b>	<b>(210) bp</b>	<b>32.0 %</b>	<b>80 bp</b>
<b>Selling, general and admin./R&amp;D costs</b>	<b>\$ 243</b>	<b>\$ 248</b>	<b>(2) %</b>	<b>\$ 235</b>	<b>3 %</b>
<b>Operating income</b>	<b>\$ 196</b>	<b>\$ 193</b>	<b>2 %</b>	<b>\$ 160</b>	<b>23 %</b>
<b>Operating income as a percent of sales</b>	<b>14.8 %</b>	<b>15.5 %</b>	<b>(70) bp</b>	<b>13.4 %</b>	<b>140 bp</b>
<b>Depreciation and amortization</b>	<b>\$ 75</b>	<b>\$ 83</b>	<b>(10) %</b>	<b>\$ 77</b>	<b>(3) %</b>
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)<sup>2</sup></b>	<b>\$ 247</b>	<b>\$ 274</b>	<b>(10) %</b>	<b>\$ 215</b>	<b>15 %</b>
<b>EBITDA as a percent of sales</b>	<b>18.7 %</b>	<b>22.0 %</b>	<b>(330) bp</b>	<b>18.0 %</b>	<b>70 bp</b>

- Total sales of \$1.32 billion represents year-over-year growth of 6 percent
- Adjusted EBITDA of \$247 million and adjusted EBITDA margin of 18.7 percent

<sup>1</sup> Ashland's earnings releases dated April 25, 2017, and January 26, 2017, available on Ashland's website at <http://investor.ashland.com>, reconcile adjusted amounts to amounts reported under GAAP.

<sup>2</sup> The three months ended March 31, 2017 excludes adjusted EBITDA attributable to non-controlling interest of Valvoline Inc. of \$24 million.

# Ashland Specialty Ingredients Adjusted Results Summary<sup>1</sup>

(\$ in millions) Preliminary	Fiscal Second Quarter			Three months ended	
	Three months ended Mar. 31,			Dec. 31,	
	2017	2016	Change	2016	Change
<b>Metric tons sold (in thous.) - Actives basis</b>	<b>80.7</b>	<b>77.3</b>	<b>4 %</b>	<b>72.6</b>	<b>11 %</b>
<b>Sales</b>	<b>\$ 544</b>	<b>\$ 529</b>	<b>3 %</b>	<b>\$ 482</b>	<b>13 %</b>
<b>Gross profit as a percent of sales</b>	<b>34.8 %</b>	<b>35.1 %</b>	<b>(30) bp</b>	<b>32.0 %</b>	<b>280 bp</b>
<b>Selling, general and admin./R&amp;D costs</b>	<b>\$ 116</b>	<b>\$ 117</b>	<b>(1) %</b>	<b>\$ 114</b>	<b>2 %</b>
<b>Operating income</b>	<b>\$ 74</b>	<b>\$ 67</b>	<b>10 %</b>	<b>\$ 40</b>	<b>85 %</b>
<b>Operating income as a percent of sales</b>	<b>13.6 %</b>	<b>12.7 %</b>	<b>90 bp</b>	<b>8.3 %</b>	<b>530 bp</b>
<b>Depreciation and amortization</b>	<b>\$ 53</b>	<b>\$ 60</b>	<b>(12) %</b>	<b>\$ 55</b>	<b>(4) %</b>
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>	<b>\$ 127</b>	<b>\$ 127</b>	<b>- %</b>	<b>\$ 95</b>	<b>34 %</b>
<b>EBITDA as a percent of sales</b>	<b>23.3 %</b>	<b>24.0 %</b>	<b>(70) bp</b>	<b>19.7 %</b>	<b>360 bp</b>

- Sales increased \$15 million, or 3 percent, to \$544 million in the second quarter
- Adjusted EBITDA of \$127 million remained consistent with the prior year

<sup>1</sup> Ashland's earnings releases dated April 25, 2017, and January 26, 2017, available on Ashland's website at <http://investor.ashland.com>, reconcile adjusted amounts to amounts reported under GAAP.



Adjusted Results Summary<sup>1</sup>

(\$ in millions) Preliminary	Fiscal Second Quarter Three months ended Mar. 31,			Three months ended Dec. 31,	
	2017	2016	Change	2016	Change
<b>Metric tons sold (in thousands)</b>	<b>127.9</b>	<b>116.3</b>	<b>10 %</b>	<b>110.6</b>	<b>16 %</b>
<b>Sales</b>	<b>\$ 262</b>	<b>\$ 239</b>	<b>10 %</b>	<b>\$ 222</b>	<b>18 %</b>
<b>Gross profit as a percent of sales</b>	<b>14.7 %</b>	<b>20.6 %</b>	<b>(590) bp</b>	<b>15.4 %</b>	<b>(70) bp</b>
<b>Selling, general and admin./R&amp;D costs</b>	<b>\$ 29</b>	<b>\$ 31</b>	<b>(6) %</b>	<b>\$ 30</b>	<b>(3) %</b>
<b>Operating income</b>	<b>\$ 10</b>	<b>\$ 20</b>	<b>(50) %</b>	<b>\$ 8</b>	<b>25 %</b>
<b>Operating income as a percent of sales</b>	<b>3.8 %</b>	<b>8.4 %</b>	<b>(460) bp</b>	<b>3.6 %</b>	<b>20 bp</b>
<b>Depreciation and amortization</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>- %</b>	<b>\$ 13</b>	<b>- %</b>
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>	<b>\$ 23</b>	<b>\$ 33</b>	<b>(30) %</b>	<b>\$ 21</b>	<b>10 %</b>
<b>EBITDA as a percent of sales</b>	<b>8.8 %</b>	<b>13.8 %</b>	<b>(500) bp</b>	<b>9.5 %</b>	<b>(70) bp</b>

- Sales of \$262 million represents year-over-year growth of 10 percent
- Adjusted EBITDA of \$23 million and Adjusted EBITDA margin of 8.8 percent

<sup>1</sup> Ashland's earnings releases dated April 25, 2017, and January 26, 2017, available on Ashland's website at <http://investor.ashland.com>, reconcile adjusted amounts to amounts reported under GAAP.

## Fiscal Second Quarter 2017

# Corporate Items

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- **Adjusted corporate operating income of \$6 million**
  - Excluding Valvoline, Ashland FY 2017 expectation of \$30-\$35 million expense
- **Net interest expense of \$38 million**
  - Excluding Valvoline, Ashland FY 2017 expectation of \$125-\$135 million reflecting increased bank debt associated with the acquisition of Pharmachem
- **Effective tax rate of 24 percent**
  - Excluding Valvoline, Ashland FY 2017 expectation 10%-15%
- **Trade Working Capital<sup>1</sup> for the quarter was 23 percent of sales**
- **Capital expenditures totaled \$61 million**
  - Excluding Valvoline, Ashland FY 2017 expectation of \$205-\$215 million
- **Operating cash flow of \$50 million; free cash flow<sup>2</sup> of -\$11 million**
  - Excluding Valvoline, Ashland FY 2017 expectation for free cash flow<sup>2</sup> of \$90-\$100 million which includes \$60-\$70 million of one-time separation and severance-related payments

<sup>1</sup> Trade Working Capital defined as trade accounts receivables plus inventories minus trade accounts payables.

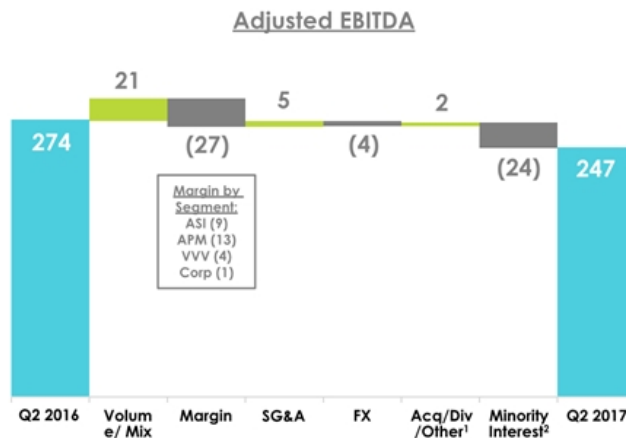
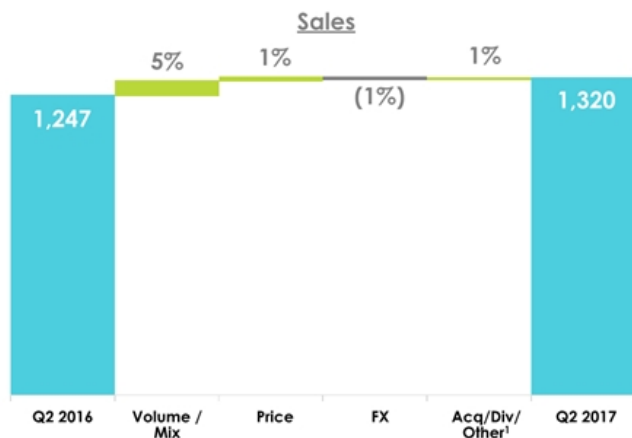
<sup>2</sup> Definition of free cash flow: operating cash less capital expenditures and other items Ashland has deemed non-operational.

# Appendix A: Bridges



# Sales and Adjusted EBITDA Bridges

(\$ millions)  
Preliminary



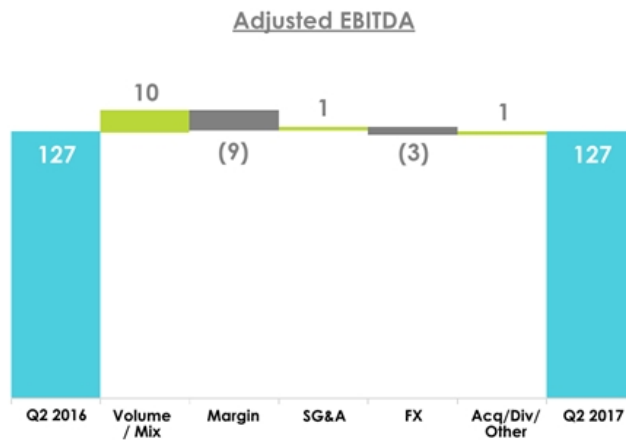
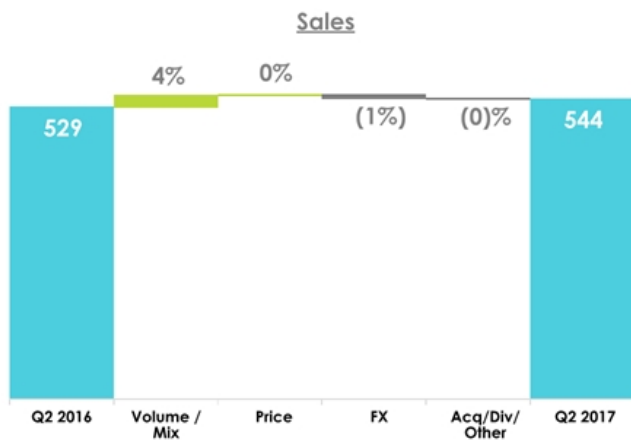
- Sales increased \$73 million, or 6 percent, compared to the prior-year quarter
- Adjusted EBITDA of \$247 million excludes \$24 million attributable to non-controlling interest of Valvoline

1 Acquisitions include OCH International, Inc. and Time-It Lube.

2 The three months ended March 31, 2017 excludes adjusted EBITDA attributable to non-controlling interest of Valvoline Inc. of \$24 million.

# Sales and Adjusted EBITDA Bridges

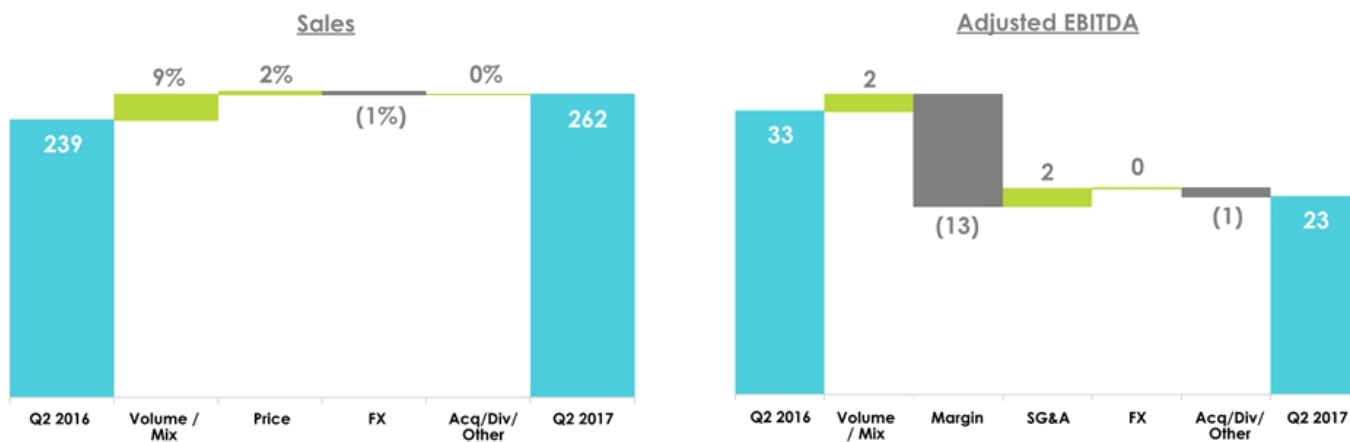
(\$ millions)  
Preliminary



- Sales increased \$15 million, or 3 percent, to \$544 million in the second quarter
- Volume growth of 4% driven by growth in both Consumer and Industrial Specialties end markets
- Adjusted EBITDA of \$127 million remained consistent with the prior year

# Sales and Adjusted EBITDA Bridges

(\$ millions)  
Preliminary

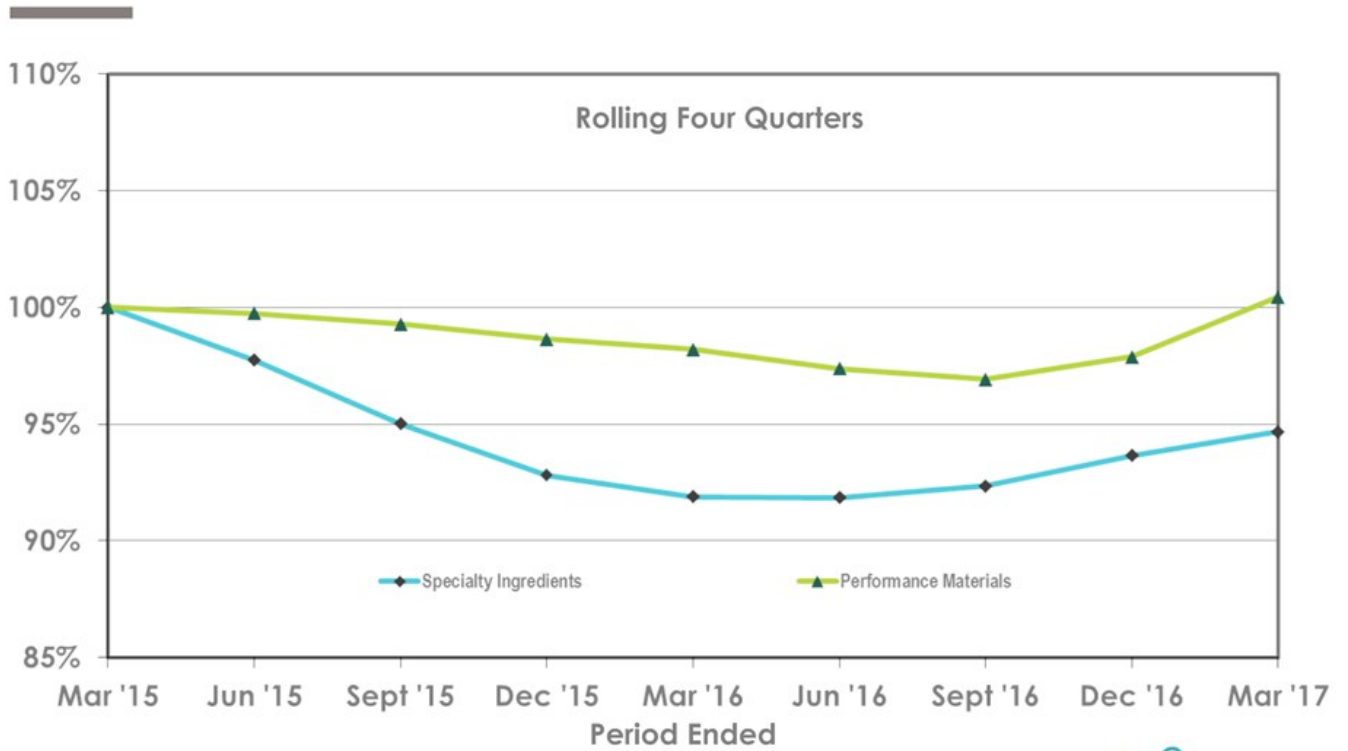


- Sales increased \$23 million, or 10 percent, to \$262 million in the second quarter
- Volume growth of 10% driven by growth in both Composites and Intermediates & Solvents
- Adjusted EBITDA of \$23 million consistent with expectations and reflecting lower butanediol pricing when compared to the prior-year period

# Appendix B: Volume Trends and Liquidity and Net Debt



# Normalized Volume Trends<sup>1</sup>



15 <sup>1</sup> Excludes volumes associated with divestitures of biocides and exited redispersible powders (RDP) product line for all periods.





# Liquidity and Net Debt

(\$ in millions)

Liquidity	At March 31, 2017		
	Ashland	Valvoline	Cons.
Cash	\$ 470	135	605
Available revolver and A/R facility capacity	847	486	1,333
Liquidity	\$ 1,317	621	1,938

Debt	Expiration	Interest Rate	Moody's	S&P	At March 31, 2017		
					Ashland	Valvoline	Cons.
4.750% senior notes, par \$1,086 million	08/2022	4.750%	Ba1	BB	\$ 1,082		1,082
3.875% senior notes, par \$659 million	04/2018	3.875%	Ba1	BB	659		659
6.875% senior notes, par \$375 million	05/2043	6.875%	Ba1	BB	376		376
6.5% debentures, par \$100 million	06/2029	6.50%	Ba2	BB	50		50
Valvoline 5.5% Notes, par \$375 million	07/2024	5.50%	Ba3	BB		375	375
Term Loan A <sup>1</sup>	09/2021			BBB-		293	293
Revolver drawn <sup>2</sup>							-
A/R facility drawn <sup>3</sup>						75	75
Other debt					8	5	13
Total debt					\$ 2,175	748	2,923
Cash					\$ 470	135	605
Net debt (cash)					\$ 1,705	613	2,318

<sup>1</sup> The Valvoline Term Loan has an amortizing principal, with complete repayment in 2021.

<sup>2</sup> Ashland's \$800 million revolving facility, including \$52 million used for letters of credit.

Valvoline's \$450 million revolving facility, including \$14 million used for letters of credit.

<sup>3</sup> Ashland has an AR securitization facility with maximum borrowing capacity of \$100 million; March 31 capacity of \$99 million. Valvoline's program has a maximum capacity of \$125 million and available capacity as of March 31 of \$50 million.

## Corporate Credit Ratings

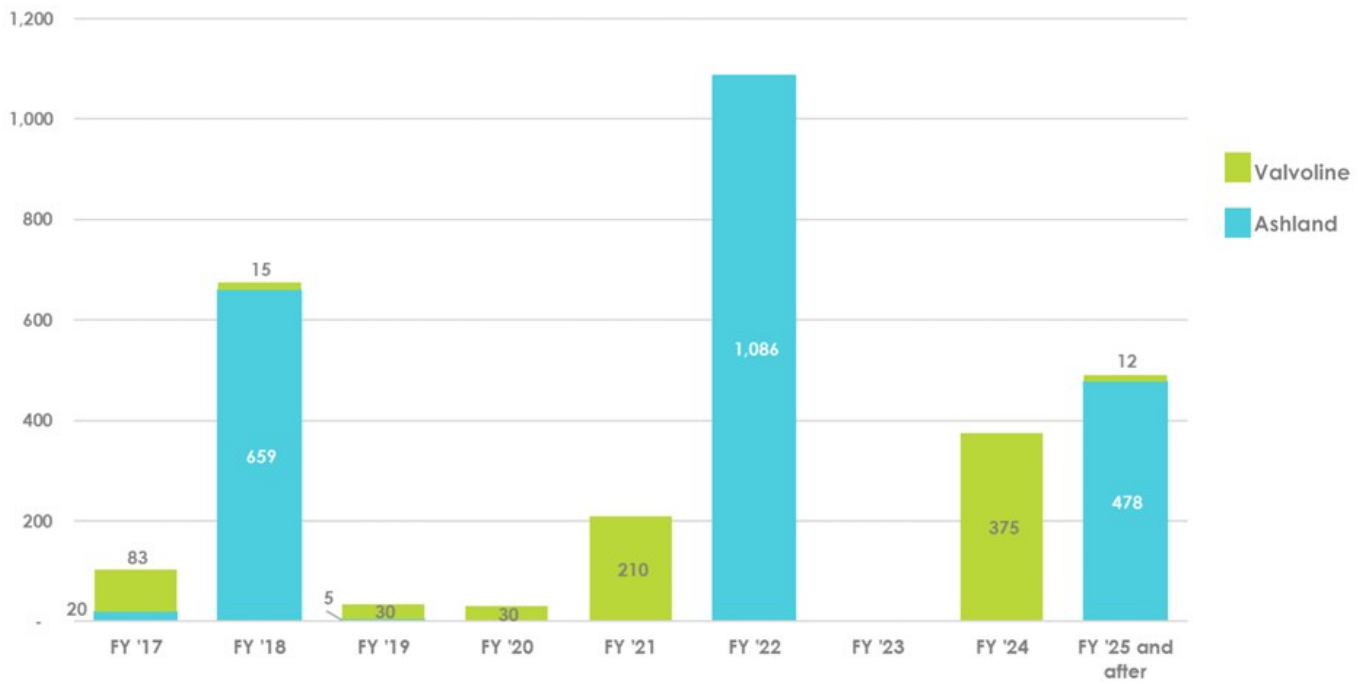
	Moody's	S&P
<b>Ashland</b>	Ba1 Stable	BB Stable
<b>Valvoline</b>	Ba2 Stable	BB Stable

## Key Developments:

- During March 2017, Ashland conducted open market purchases of our 2018 and 2022 senior notes, totaling \$15MM in par value

# Scheduled Debt Payments

(\$ in millions)



# Appendix C: Business Profiles

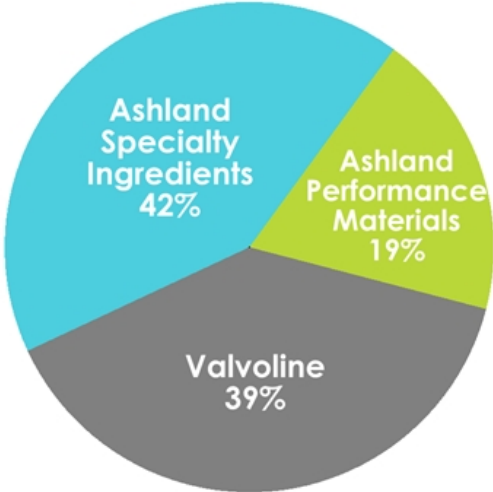
12 Months Ended March 31, 2017



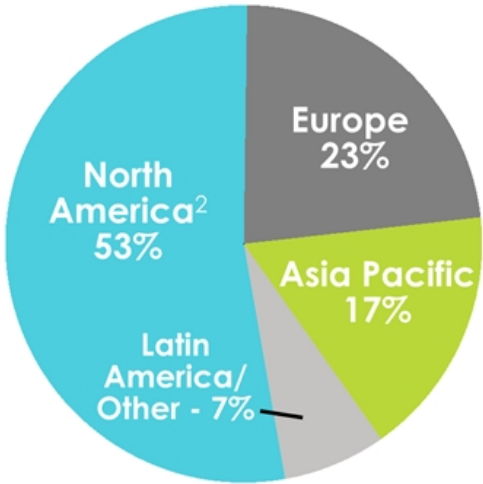
# Corporate Profile

Sales<sup>1</sup> - \$5.1 Billion

By business unit



By geography



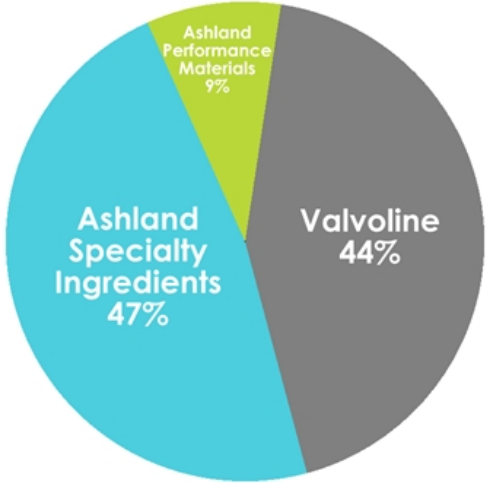
<sup>1</sup> For 12 months ended March 31, 2017.

<sup>2</sup> Ashland includes only U.S. and Canada in its North America designation.



# Corporate Profile

Adjusted EBITDA<sup>1</sup> - \$1.0 Billion



NYSE Ticker Symbol: ASH

Total Employees<sup>2</sup>: ~6,000

Outside North America ~50%

Number of Countries in Which Ashland Has Sales: More than 100

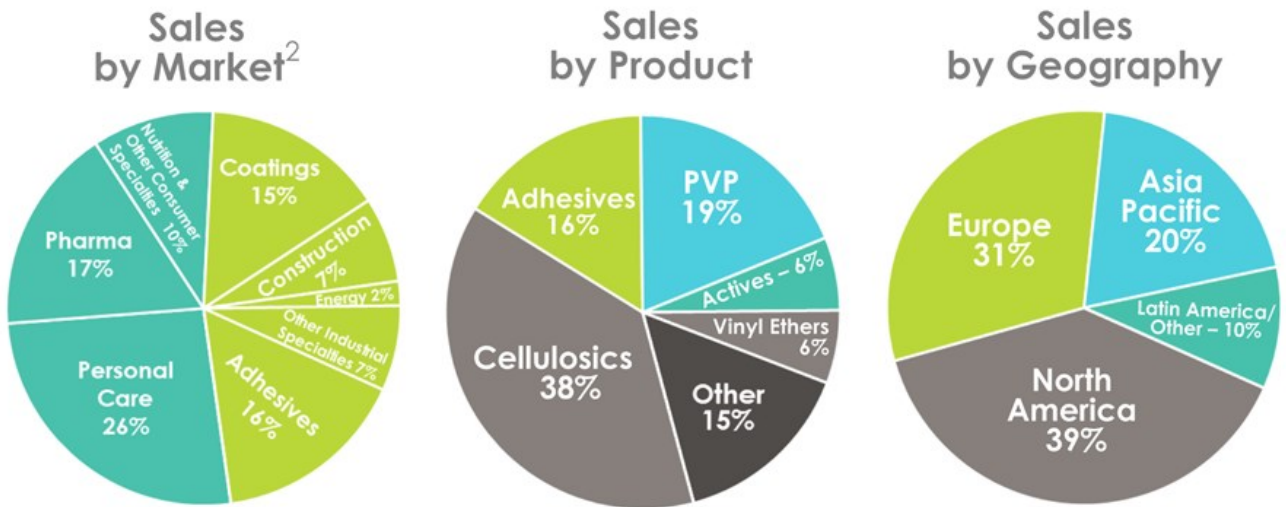
1 For 12 months ended March 31, 2017 including Valvoline. See Appendix D for reconciliation to amounts reported under GAAP.

20 2 Excludes Valvoline.



# Ashland Specialty Ingredients

A global leader of cellulose ethers, vinyl pyrrolidones and biofunctionals



**For 12 Months Ended March 31, 2017**

**Sales: \$2.1 billion**

**Adjusted EBITDA: \$476 million<sup>1</sup>**

**Adjusted EBITDA Margin: 22.6%<sup>1</sup>**

21

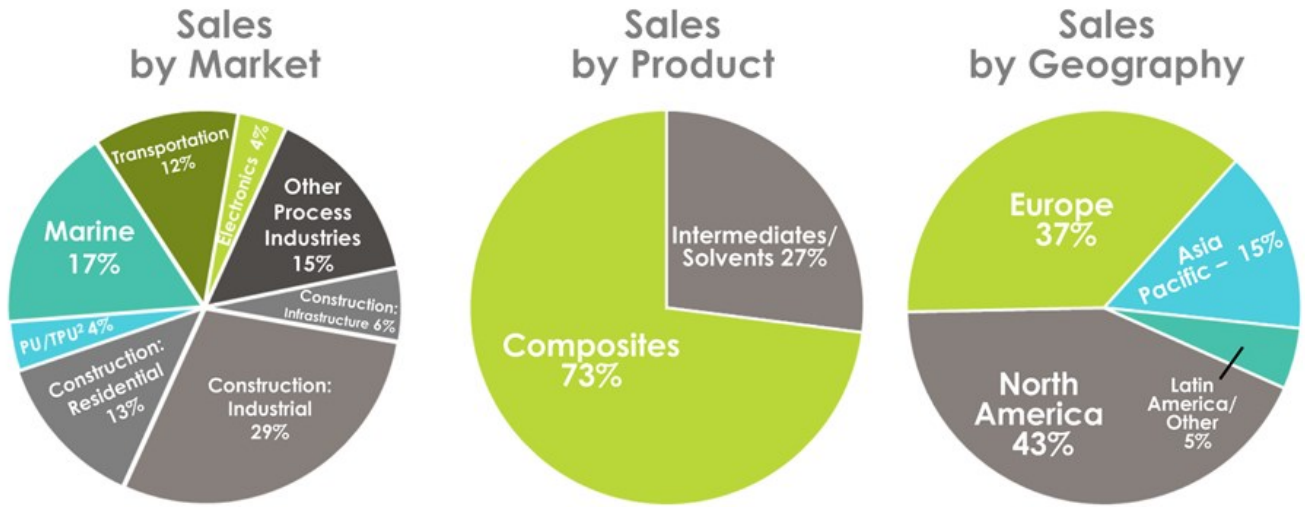
<sup>1</sup> See Appendix D for reconciliation to amounts reported under GAAP.

<sup>2</sup> Within the Sales by Market chart above, Industrial Specialties are presented in green and Consumer Specialties are presented in blue.



# Ashland Performance Materials

A global leader in unsaturated polyester resins and vinyl ester resins



**For 12 Months Ended March 31, 2017**

**Sales: \$944 million**

**Adjusted EBITDA: \$91 million<sup>1</sup>**

**Adjusted EBITDA Margin: 9.6%<sup>1</sup>**

22 <sup>1</sup> See Appendix D for reconciliation to amounts reported under GAAP.  
<sup>2</sup> PU/TPU stands for Polyurethane and Thermoplastic Polyurethane.



# Appendix D: Non-GAAP Reconciliation<sup>1</sup>

<sup>1</sup> Although Ashland provides forward looking guidance for adjusted EBITDA in this presentation, Ashland is not reaffirming or providing forward-looking guidance for U.S. GAAP reported financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort.





Ashland Global Holdings Inc. and Consolidated Subsidiaries  
**Reconciliation of Non-GAAP Data**  
 for 12 Months Ended March 31, 2017

(\$ millions, except percentages)

<b>Sales<sup>1</sup></b>	<b>Q2 17</b>	<b>Q1 17</b>	<b>Q4 16</b>	<b>Q3 16</b>	<b>Total</b>	
<b>Specialty Ingredients</b>	<b>544</b>	<b>482</b>	<b>532</b>	<b>552</b>	<b>2,110</b>	
<b>Performance Materials</b>	<b>262</b>	<b>222</b>	<b>222</b>	<b>238</b>	<b>944</b>	
<b>Valvoline</b>	<b>514</b>	<b>489</b>	<b>494</b>	<b>500</b>	<b>1,997</b>	
<b>Total</b>	<b>1,320</b>	<b>1,193</b>	<b>1,248</b>	<b>1,290</b>	<b>5,051</b>	

<b>Adjusted EBITDA<sup>1</sup></b>	<b>Q2 17</b>	<b>Q1 17</b>	<b>Q4 16</b>	<b>Q3 16</b>	<b>Total</b>	<b>Adjusted EBITDA Margin</b>
<b>Specialty Ingredients</b>	<b>127</b>	<b>95</b>	<b>126</b>	<b>128</b>	<b>476</b>	<b>22.6%</b>
<b>Performance Materials</b>	<b>23</b>	<b>21</b>	<b>17</b>	<b>30</b>	<b>91</b>	<b>9.6%</b>
<b>Valvoline</b>	<b>115</b>	<b>108</b>	<b>106</b>	<b>119</b>	<b>448</b>	<b>22.4%</b>
<b>Unallocated</b>	<b>(18)</b>	<b>(9)</b>	<b>10</b>	<b>17</b>	<b>0</b>	
<b>Total</b>	<b>247</b>	<b>215</b>	<b>259</b>	<b>294</b>	<b>1,015</b>	

<sup>1</sup> Quarterly totals may not sum to actual results due to quarterly rounding conventions. Calculation of adjusted EBITDA for each quarter has been reconciled within certain financial filings with the SEC and posted on Ashland's website for each reportable segment.



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™ Trademark, Ashland or its subsidiaries, registered in various countries



## **Second Quarter Fiscal 2017 Earnings Prepared Comments**

Ashland released results for the quarter ended March 31, 2017, at approximately 5 p.m. EDT today. These results are preliminary until we file our Form 10-Q with the Securities and Exchange Commission (SEC). A copy of the news release, a slide presentation and these prepared remarks have been furnished to the SEC in a Form 8-K. These prepared remarks should be read in conjunction with the slide presentation and news release.

We will host a conference call and webcast on Wednesday, April 26, 2017, at 9 a.m. EDT to discuss these results.

**Slide 2: Forward Looking Statements, Regulation G: Adjusted Results**

Our remarks include forward-looking statements, as such term is defined under U.S. securities law.

We believe any such statements are based on reasonable assumptions, but cannot assure that such expectations will be achieved.

Please also note that we will be discussing adjusted results in this presentation. We believe this enhances understanding of our performance by more accurately reflecting our ongoing business.

### Slide 3: Highlights

Ashland's overall financial performance in the second quarter reflected progress in a number of key areas as we continue working toward our 2017 plan. Within Ashland Specialty Ingredients, the team delivered volume growth of 4 percent and sales growth of 3 percent, with good gains in consumer end markets. In addition, the team maintained good cost discipline and initiated several price increases which partially offset the negative impact from higher-than-expected raw material costs and foreign currency during the quarter. Within Ashland Performance Materials, Composites volume grew 5 percent, while Intermediates and Solvents (I&S) volume rose 21 percent amid continued price recovery in butanediol. Meanwhile, the Valvoline team reported good gains in lubricant gallons and sales. For additional information on Valvoline results, please refer to the Valvoline Inc. second-quarter earnings release dated April 25, 2017, and earnings conference call.

Ashland reported GAAP earnings from continuing operations attributable to Ashland of \$1.42 per diluted share compared to earnings of \$1.38 per diluted share in the year-ago period. During the quarter, the only key item of costs associated with the Valvoline separation amounted to \$0.29 per diluted share.

After adjusting for key items, earnings per share from continuing operations attributable to Ashland were \$1.71 versus \$1.83 in the year-ago period. The decline was due to several factors including: 1.) lower earnings at APM resulting from lower year-over-year butanediol (BDO) pricing and higher raw material costs within Composites, and 2.) Valvoline earnings attributable to Ashland's non-controlling interest. These items were partially offset by increased operating income from both ASI and Corporate.

During the month of April, Ashland signed a definitive agreement to acquire New Jersey-based Pharmachem Laboratories, Inc., a leading provider of quality ingredients to the global health and wellness industries and high-value differentiated products to fragrance and flavor houses. With annual revenues of approximately \$300 million and 14 manufacturing facilities in the United States and Mexico, Pharmachem develops, manufactures and supplies custom and branded nutritional and fragrance products. The acquisition is subject to customary regulatory approvals and closing conditions and is expected to close before the end of the June quarter.

#### **Slide 4: Consolidated Income Statement**

On September 28, 2016, we successfully completed the Valvoline Inc. initial public offering (IPO). Ashland currently owns an approximately 83% controlling interest in Valvoline. Valvoline's second-quarter results are consolidated into Ashland's results for the fiscal second quarter. The net income of \$13 million, or \$0.21 per year-ago diluted share, and adjusted EBITDA of \$24 million attributable to Ashland's non-controlling interest in Valvoline are excluded from both net income attributable to Ashland and from adjusted EBITDA for the quarter, respectively.

On April 25, 2017, Ashland announced that its board of directors approved the distribution of all its remaining interest in Valvoline to Ashland stockholders and has determined the approximate distribution ratio, record date and distribution date for the final separation. Please refer to Ashland's news release dated April 25, 2017 for more information on the final separation and share distribution.

Beginning with the June quarter, nearly all of Valvoline's results for all historical periods, including the June quarter, will be reclassified into Ashland discontinued operations.

## **Slide 5: Key Items Affecting Income**

One key item had a net unfavorable impact on EPS from continuing operations of \$0.29 in the second quarter. This item was \$19 million of after-tax costs related to the Valvoline separation.

The year-ago quarter included three key items with a net unfavorable impact on EPS from continuing operations of \$0.45.

Excluding intangible amortization, adjusted EPS would have been \$0.22 higher or \$1.93 per diluted share.



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## Slide 7: Ashland Specialty Ingredients – Adjusted Results Summary

### Ashland Specialty Ingredients (ASI) Second-Quarter Performance Summary

ASI reported sales growth of 3 percent, to \$544 million, and volume growth of 4 percent, driven by increased demand for Ashland's value-added products sold into the Consumer Specialties and Industrial Specialties end markets. This volume growth was offset by higher raw material costs and the strengthening dollar, the combined impact from which exceeded Ashland's original estimate for the second quarter. As a result, adjusted EBITDA of \$127 million was flat with the prior-year period.

Consumer Specialties sales and volumes each grew by 2 percent compared to the prior-year period. Within Consumer Specialties, the Personal Care team generated volume growth across all end markets. In pharma, sales of our leading excipients remained strong, although overall volume was down due to mix optimization actions. Meanwhile, Industrial Specialties drove solid gains across all end markets, delivering total year-over-year sales and volume growth of 3 percent and 5 percent, respectively.

### Outlook

Amid the larger-than-expected negative impact of raw material cost and currency that emerged in the second quarter, the ASI team is continuing to take action to offset these costs through cost discipline and commercial excellence initiatives such as value-based pricing. For the third quarter, ASI sales are expected to be in the range of \$535-\$565 million. Adjusted EBITDA in the third quarter is expected to be in the range of \$123-\$133 million, versus \$128 million in the year-ago quarter.

We anticipate closing the Pharmachem acquisition in the June quarter. With the addition of Pharmachem's related income, we now expect ASI's adjusted EBITDA for fiscal 2017 to be in the range of \$485-\$500 million, despite the impact from raw material inflation and foreign currency. The outlook for ASI's adjusted EBITDA excludes any Pharmachem-related earnings in the third quarter, but includes an estimated \$10-\$15 million from Pharmachem in the fourth quarter.

## Slide 8: Ashland Performance Materials – Adjusted Results Summary

### Ashland Performance Materials (APM) Second-Quarter Performance Summary

APM reported sales of \$262 million for the second quarter, a 10 percent increase from prior year. Adjusted EBITDA was \$23 million, consistent with the outlook provided at the beginning of the quarter as solid volume growth in Composites and I&S partially offset the impact of higher raw-material costs.

The Composites team generated volume growth of 5 percent during the quarter, driven by solid demand from customers in North America and China. Prices for key raw materials – namely styrene – continued to rise early in the quarter, and were exacerbated by a force majeure at a large styrene supplier in North America. This unexpected event led to higher-than-anticipated margin compression for the quarter. The commercial team was able to recover some of these costs via pass-through pricing and, as a result, Composites sales increased by 10 percent versus prior year.

Earlier this month, Ashland announced it has made a binding offer to acquire a composites resin manufacturing facility in Etain, France, from Reichhold Holdings International B.V. The facility manufactures unsaturated polyester resins (UPR) used in a variety of end markets, including transportation and construction. The transaction, which is expected to be completed by the end of June, is a unique opportunity to strengthen Ashland's cost competitiveness and position in the European composites market at a highly attractive price, and with very compelling terms and conditions.

The I&S team grew volume by 21 percent and sales by 8 percent, as improved demand was offset by substantially lower selling prices. I&S earnings were well below the prior year as BDO pricing, though recovering, remains below a year ago. However, APM continues to see the impact of recent BDO price increases announced by Ashland and other global producers.

### Outlook

For the third quarter of fiscal 2017, APM expects sales to be in the range of \$260-\$280 million. Adjusted EBITDA is expected to be in the range of \$27-\$33 million, versus \$30 million in the year-ago period, and reflects the impact of price increases offsetting raw material inflation. For fiscal 2017, APM is raising its outlook for adjusted EBITDA to a range of \$100-\$110 million reflecting positive price and volume in both Composites and I&S.

## Slide 9: Fiscal Second Quarter 2017 – Corporate Items

### Corporate income

Ashland generated adjusted corporate operating income of \$6 million during the second quarter, primarily composed of \$17 million of pension and other post-retirement plan related income partially offset by \$4 million of environmental expense for divested businesses and other legacy costs.

During the third quarter of fiscal 2017, Ashland expects corporate operating expense in the range of \$7-\$9 million, composed primarily of environmental expense related to divested businesses. For fiscal 2017, excluding Valvoline, Ashland continues to expect adjusted corporate operating expense of \$30-\$35 million, composed primarily of environmental expense related to divested businesses.

### Net interest expense

Net interest expense in the quarter totaled \$38 million, consistent with the expectation of \$37-\$40 million due to lower debt balances.

During the third quarter of fiscal 2017, Ashland expects net interest expense in the range of \$31-\$34 million. For fiscal 2017, excluding Valvoline, Ashland now expects net interest expense of \$125-\$135 million, reflecting increased bank debt associated with the acquisition of Pharmachem.

### Effective tax rate

Ashland's effective tax rate for quarter, after adjusting for key items, was 24 percent. This was below the company's previous estimate of 28-29 percent due to discrete items and income mix. For the third quarter of fiscal 2017, Ashland expects an annual effective tax rate, after adjusting for key items, of 10-15 percent, reflecting Ashland's global business platform and separation from Valvoline.

### Trade working capital

Trade working capital for the quarter was 23 percent of sales.

### Capital expenditures

Capital expenditures were \$61 million during the quarter, compared to \$50 million in the prior-year period. Excluding Valvoline, Ashland continues to expect capex for fiscal 2017 to be in the range of \$205-\$215 million.

### Operating cash flow

Operating cash flow during the quarter was \$50 million compared to \$184 million in the prior-year period. The reduction is due primarily to a combination of increased receivables, income taxes and Valvoline separation payments.

### Free cash flow

Free cash flow during the quarter was an outflow of \$11 million versus an inflow of \$134 million in the prior-year period. The reduction is due primarily to a combination of increased receivables, income taxes and Valvoline separation payments.

Excluding Valvoline, Ashland now expects free cash flow in the range of \$90-\$100 million during fiscal 2017 reflecting increased sales and raw material inflation. This includes \$60-\$70 million of one-time separation and severance-related payments.

Liquidity

Ashland's liquidity position remains very strong. At the quarter end, excluding Valvoline, Ashland had approximately \$1.3 billion of available liquidity, including \$470 million in cash. The majority of this cash is held outside the US.

Diluted share count

For adjusted EPS purposes, we expect weighted average diluted share count to be approximately 64 million shares for the third fiscal quarter of 2017.

End of Prepared Remarks



## News Release

### **Ashland provides update on final separation of Valvoline Inc.**

COVINGTON, KY, April 25, 2017 – Ashland Global Holdings Inc. (NYSE: ASH) announced today that its board of directors has approved the distribution of all of its remaining interest in Valvoline Inc. (“Valvoline”) (NYSE: VVV) to Ashland stockholders and has determined the approximate distribution ratio, record date and distribution date for the final separation.

Subject to the conditions described below, the Ashland board of directors has authorized the distribution to Ashland stockholders of an aggregate of 170,000,000 shares of Valvoline common stock on May 12, 2017, the distribution date, as a pro rata dividend on shares of Ashland common stock outstanding at the close of business on the record date of May 5, 2017. Based on the number of shares of Ashland common stock outstanding as of March 31, 2017, Ashland estimates that each share of Ashland common stock will receive approximately 2.73 shares of Valvoline common stock in the distribution. The actual distribution ratio for the Valvoline common stock to be distributed per share of Ashland common stock will be determined based on the number of shares of Ashland common stock outstanding on the record date.

The Distribution is subject to certain customary conditions, including receipt of a customary tax opinion and confirmation of sufficient capital adequacy and surplus to make the distribution. Ashland expects all of these conditions to be satisfied on the distribution date.

“Today’s announcement represents the final step in our journey to create two great companies that are positioned for success, with the flexibility, strategic focus and financial resources to generate revenue and earnings growth,” said William A. Wulfsohn, Ashland chairman and chief executive officer. “Valvoline is well on its way toward building the world’s leading engine and automotive maintenance business, while Ashland is squarely focused on positioning itself for profitable growth as a pure-play specialty chemicals company. This is an exciting time for both companies and all of our employees who have worked so hard to prepare for this final separation.”

Fractional shares of Valvoline common stock will not be distributed to Ashland stockholders. Instead, the fractional shares of Valvoline common stock will be aggregated and sold in the open market, with the net proceeds distributed pro rata in the form of cash payments to Ashland stockholders who would otherwise receive Valvoline fractional shares. The spin-off has been structured to qualify as a tax-free distribution to Ashland stockholders for U.S. federal income tax purposes. Cash received in lieu of fractional shares will, however, be taxable. Ashland stockholders should consult their tax advisors with respect to U.S. federal, state, local and foreign tax consequences of the distribution.

Beginning on May 3, 2017, and continuing through the close of trading on the New York Stock Exchange (the “NYSE”) on May 12, 2017, the distribution date, the following markets will exist in

Ashland and Valvoline common stock (each of which will be traded on the NYSE):

- Ashland common stock “regular way” market (NYSE: ASH): Shares of Ashland common stock that trade in the regular way market will trade with “due bills,” which are entitlements to shares of Valvoline common stock to be distributed pursuant to the distribution. Any holders of shares of Ashland common stock who sell Ashland shares the “regular way” between the record date and the distribution date will also be selling their right to receive Valvoline shares.
- Ashland common stock “ex-distribution/when issued” market (NYSE: ASH WI): Shares of Ashland common stock that trade in the ex-distribution/when-issued market will trade without an entitlement to shares of Valvoline common stock to be distributed pursuant to the distribution. If you own shares of Ashland common stock on the record date and sell those shares of Ashland common stock in the ex-distribution/when-issued market prior to or on the distribution date, you will still receive the shares of Valvoline common stock that were to be distributed to you in respect of those shares of Ashland common stock.
- Valvoline common stock “regular way” market (NYSE: VVV): The regular way market is the same market for Valvoline common stock that has been in existence since Valvoline completed its initial public offering of its common stock in September 2016.
- Valvoline common stock “when-issued” market (NYSE: VVV WI): The when-issued market for Valvoline common stock relates to the shares of Valvoline common stock that will be distributed to Ashland stockholders on the distribution date. Therefore, if you are entitled to receive shares of Valvoline common stock in the distribution, you may trade your entitlement to the shares of Valvoline common stock, without the shares of Ashland common stock you own, in the Valvoline common stock when-issued market.

All trades in the “regular way” markets will settle on the third trading day after the trade date. The due bills will settle on the third trading day after the distribution date. All trades in the “ex-distribution/when-issued” market and “when-issued” market will settle on the fourth trading day after the distribution date, irrespective of the trade date.

Valvoline common stock currently trades on the NYSE under the symbol “VVV.”

The distribution of shares of Valvoline common stock will be made in book entry form, and no physical share certificates of Valvoline will be issued. An information statement describing the distribution will be mailed to Ashland stockholders following the record date. Ashland stockholders will not be required to pay cash or other consideration for the shares of Valvoline common stock to be distributed to them or to surrender or exchange their shares of Ashland common stock to receive the distribution.

BofA Merrill Lynch is acting as financial advisor to Ashland in connection with the spin-off of Valvoline.

#### **About Ashland**

Ashland Global Holdings Inc. (NYSE: ASH) is a premier global specialty chemicals company serving customers in a wide range of consumer and industrial markets, including adhesives, architectural coatings, automotive, construction, energy, food and beverage, personal care and pharmaceutical. At Ashland, we are 6,000 passionate, tenacious solvers – from renowned scientists and research chemists to talented engineers and plant operators – who thrive on developing practical, innovative and elegant solutions to complex problems for customers in more than 100 countries. Ashland also maintains a controlling interest in Valvoline Inc. (NYSE:



VVV), a premium consumer-branded lubricant supplier. Visit [ashland.com](http://ashland.com) to learn more.

C-ASH

#### **Forward-Looking Statements**

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable terminology. These forward-looking statements include statements relating to the expected completion of the final separation of Valvoline Inc. ("Valvoline") through the distribution of Valvoline common stock and the potential for the distribution to position Ashland and Valvoline for profitable growth. In addition, Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the SEC, news releases and other written and oral communications. These forward-looking statements are based on Ashland's expectations and assumptions, as of the date such statements are made, regarding Ashland's future operating performance and financial condition, the expected completion of the final separation, the strategic and competitive advantages of each company, and future opportunities for each company, as well as the economy and other future events or circumstances. Ashland's expectations and assumptions include, without limitation, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: the possibility that the final separation will not be consummated within the anticipated time period or at all, including as the result of the failure of a condition to the distribution; the potential that Ashland does not realize all of the expected benefits of the separation; Ashland's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Ashland's future cash flows, results of operations, financial condition and its ability to repay debt); the impact of acquisitions and/or divestitures Ashland has made or may make, including the proposed acquisition of Pharmachem (including the possibility that Ashland may not complete the proposed acquisition of Pharmachem or Ashland may not realize the anticipated benefits from such transactions); and severe weather, natural disasters, and legal proceedings and claims (including environmental and asbestos matters). Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements, including, without limitation, risks and uncertainties affecting Ashland that are described in Ashland's most recent Form 10-K (including Item 1A Risk Factors) filed with the SEC, which is available on Ashland's website at <http://investor.ashland.com> or on the SEC's website at <http://www.sec.gov>. Ashland believes its expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, Ashland undertakes no obligation to update any forward-looking statements made in this news release whether as a result of new information, future events or otherwise. Information on Ashland's website is not incorporated into or a part of this news release.

<sup>SM</sup> Service mark, Ashland or its subsidiaries, registered in various countries.

<sup>TM</sup> Trademark, Ashland or its subsidiaries, registered in various countries.

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