



Third-Quarter Fiscal 2016 Earnings Conference Call

July 27, 2016

ASHLAND

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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 status of the separation process, the plan to pursue an IPO of up to 20 percent of the common stock of Valvoline and the expected completion of the separation through the subsequent distribution of Valvoline common stock, the anticipated timing of completion of the planned IPO and subsequent distribution of the remaining Valvoline common stock, the plan to reorganize under a new public holding company to be called Ashland Global Holdings Inc. and Ashland’s and Valvoline’s ability to pursue their long-term strategies. In addition, Ashland may from time to time make forward-looking statements in its annual report, quarterly reports and other filings with the Securities and Exchange Commission (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, including the proposed separation of its specialty chemicals and Valvoline businesses, the proposed IPO of its Valvoline business, the expected timetable for completing the IPO and the separation, the proposal to reorganize under a new holding company, the future financial and operating performance of each company, strategic and competitive advantages of each company, the leadership 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 proposed IPO, new holding company reorganization or separation will not be consummated within the anticipated time period or at all, including as the result of regulatory, market or other factors or the failure to obtain shareholder approval of the new holding company reorganization; the potential for disruption to Ashland’s business in connection with the proposed IPO, new holding company reorganization or separation; the potential that the new Ashland and Valvoline do not realize all of the expected benefits of the proposed IPO, new holding company reorganization or separation or obtain the expected credit ratings following the proposed IPO, new holding company reorganization or 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 possibility that Ashland may not realize the anticipated benefits from such transactions); 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 its most recent Form 10-K and its Form 10-Q for the quarterly period ended March 31, 2016 (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.

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.

Non-solicitation

A registration statement relating to the securities of Ashland Global Holdings Inc. in connection with the reorganization of Ashland under a new holding company has been filed with the SEC but has not yet become effective. The securities subject to such registration statement may not be sold nor may offers to buy such securities be accepted before the time the registration statement becomes effective. This presentation shall not constitute an offer to sell or a solicitation of an offer to buy such securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

Additional Information and Where to Find It

In connection with the reorganization, Ashland filed with the SEC the Ashland Global Holdings Inc. registration statement (the “Ashland Global Registration Statement”) that includes a proxy statement of Ashland Inc. that also constitutes a prospectus of Ashland Global Holdings Inc. with respect to the securities of Ashland Global Holdings Inc. (the Ashland Global Registration Statement has not yet been declared effective). INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS, AND ANY OTHER RELEVANT DOCUMENTS WHEN THEY BECOME AVAILABLE, BECAUSE THEY CONTAIN, OR WILL CONTAIN, IMPORTANT INFORMATION ABOUT ASHLAND INC., ASHLAND GLOBAL HOLDINGS INC. AND THE REORGANIZATION. A definitive proxy statement will be sent to shareholders of Ashland Inc. seeking approval of the reorganization after the Ashland Global Registration Statement is declared effective. The proxy statement/prospectus and other documents relating to the reorganization can be obtained free of charge from the SEC website at www.sec.gov.

Participants in Solicitation

This presentation is not a solicitation of a proxy from any investor or shareholder. However, Ashland Inc., Ashland Global Holdings Inc. and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the reorganization under the rules of the SEC. Information regarding Ashland Inc.’s directors and executive officers may be found in its definitive proxy statement relating to its 2016 Annual Meeting of Shareholders filed with the SEC on December 4, 2015 and in the proxy statement/prospectus included in the Ashland Global Registration Statement. Information regarding Ashland Global Holdings Inc.’s directors and executive officers may be found in the proxy statement/prospectus included in the Ashland Global Registration Statement. These documents can be obtained free of charge from the SEC.

Opening Remarks

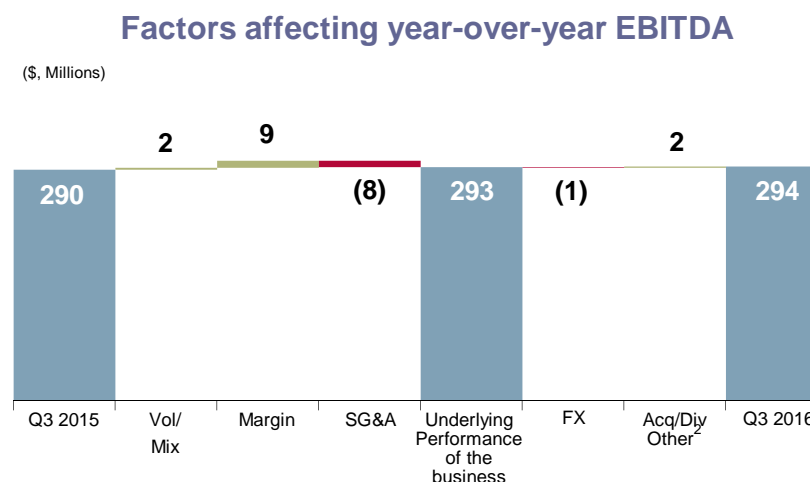
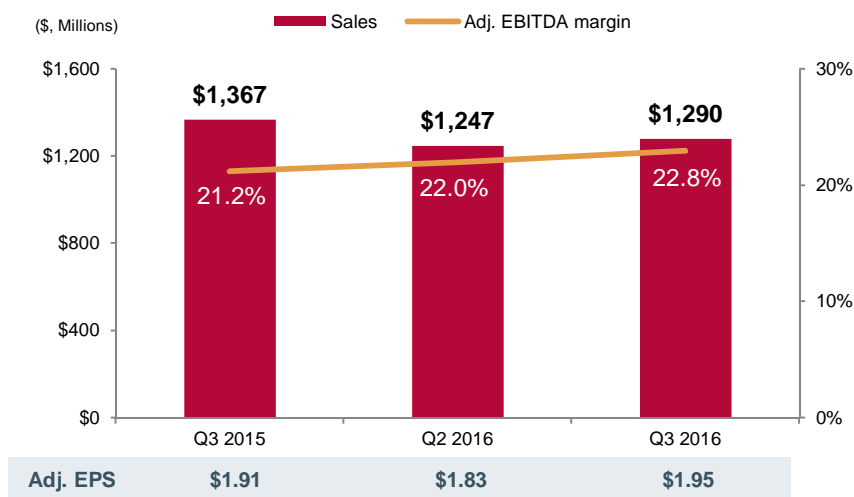


Four Core Priorities in FY 2016

1. Drive operational and strategic gains
2. Improve cash conversion
3. Maintain disciplined capital allocation strategy
4. Create Two Great Companies



Fiscal Third Quarter 2016 Highlights¹



- Reported earnings from continuing operations of \$1.55 per diluted share
- **Adjusted earnings increased 2%** to \$1.95 vs. \$1.91 per diluted share in prior year
 - First quarter of adjusted EPS growth in fiscal year 2016
- **Adjusted EBITDA increased 1%** to \$294 million vs. \$290 million in prior year
 - As expected, headwinds from currency, energy end market and divestitures continued to recede and represented an approximate \$40 million headwind
 - First quarter of adjusted EBITDA growth in fiscal year 2016
 - Adjusted EBITDA margin of 22.8%

¹ Ashland's earnings releases dated July 26, 2016, and April 26, 2016, available on Ashland's website at <http://investor.ashland.com>, reconcile adjusted amounts to amounts reported under GAAP.

² Acquisitions include OCH International, Inc. Divestitures includes biocides, redispersible powders (RDP) and Valvoline car care product lines exited during prior four quarters.



Ashland Specialty Ingredients

\$, Millions

<u>Sales</u>						
<u>PY</u>	<u>Vol/ Mix</u>	<u>Price</u>	<u>FX</u>	<u>Acq/ Div²</u>	<u>CY</u>	
579	0%	-3%	0%	-2%	552	
<u>EBITDA¹</u>						
<u>PY</u>	<u>Vol/ Mix</u>	<u>Margin</u>	<u>SG&A</u>	<u>FX</u>	<u>Acq/Div /Other²</u>	<u>CY</u>
137	0%	-5%	0%	0%	-2%	128

Quarter Summary

- Sales or volume growth in five key end markets and products, within both Consumer and Industrial Specialties
 - Pharmaceutical, Coatings, Hair-Care, Nutrition and Adhesives
- Impact from currency translation, energy, and exited product lines receded further
- Gains more than offset by weakness in emerging regions – Latam and China
- Vol/mix offset by manufacturing costs from inventory-control measures
- Maintained overall strong gross margins and overhead cost discipline

Q4 Outlook

Sales \$520 - \$540 million

Adj. EBITDA margin 24.0 – 24.5%

Near-term Outlook

- Lapping impact of weak energy demand and divestitures
- Capitalizing on recent business wins
- Offset by weak demand in emerging regions

Longer-term Outlook

- Underlying growth in most core growth end markets to remain healthy
- Innovation pipeline strengthening leading to new products for core Pharmaceutical, Personal Care and Coatings end markets
- Making targeted capital investments focused on high-growth end markets and products

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² Acq/Div/Other includes biocides and redispersible powders (RDP) product lines.



Ashland Performance Materials

\$, Millions

						<u>Sales</u>	
<u>PY</u>	<u>Vol/ Mix</u>	<u>Price</u>	<u>FX</u>	<u>Acq/ Div</u>	<u>CY</u>		
278	-5%	-9%	0%	0%	238		

						<u>EBITDA¹</u>	
<u>PY</u>	<u>Vol/ Mix</u>	<u>Margin</u>	<u>SG&A</u>	<u>FX</u>	<u>Other</u>	<u>CY</u>	
27	-11%	18%	0%	0%	4%	30	

Quarter Summary

- Composites margins remain solid
 - Maintained pricing discipline
 - Volumes generally soft across all regions
- Raw-materials remained favorable versus prior year
- Softness in industrial markets – notably China and Brazil
- Overall margins impacted by both weak BDO volumes and price pressure, as expected
- BDO price increases announced for some regions effective July 1st

Q4 Outlook

Sales \$220 - \$240 million

Adj. EBITDA margin 9.0 – 10.0%

Near-term Outlook

- Solid Composites margins
- Less favorable raw material dynamics
- Continued pressure on I&S BDO volumes
- Pulling forward a planned turnaround into Q4

Longer-term Outlook

- Composites growth driven by:
 - Macro trends & regional economic expansion
 - New product and application development
- Continued margin management in volatile raw-material environment
- I&S to remain challenged by capacity in Asia

¹ Ashland's earnings releases dated July 26, 2016, and April 26, 2016, available on Ashland's website at <http://investor.ashland.com>, reconcile adjusted amounts to amounts reported under GAAP.



Valvoline

\$, Millions

<u>Sales</u>						
<u>PY</u>	<u>Vol/ Mix</u>	<u>Price</u>	<u>FX</u>	<u>Acq/ Div²</u>	<u>CY</u>	
510	4%	-4%	-1%	-1%	500	
<u>EBITDA¹</u>						
<u>PY</u>	<u>Vol/ Mix</u>	<u>Margin</u>	<u>SG&A</u>	<u>FX</u>	<u>Acq/Div /Other²</u>	<u>CY</u>
116	5%	6%	-7%	-1%	0%	119

Quarter Summary

- Total lubricant volume up 3%
- Solid volumes driven by results with DIFM customers – installers and VIOC
- Industry leading service model led to another solid quarter for VIOC
 - Oil changes per day increased 6%
 - Same-store sales growth of 7%
 - 1,055 locations at quarter end, including Oil Can Henry's
- 6% international channel volume growth
- US premium branded lubricant sales volume increased to 45.3%

Outlook

Due to securities law restrictions, no outlook provided for the Valvoline segment

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² Acq/Div/Other includes OCH International, Inc. acquisition and car care product line divestiture.



Key Observations

1. Remain focused on core priorities in 2016
2. Taking actions to deliver results
3. Remain on track to create two great companies

Great team with a clear strategy and a proven track record of execution



Appendix: Non-GAAP Reconciliations

Reconciliation of Non-GAAP Data

for 12 Months Ended June 30, 2016



(\$ millions, except percentages)

Sales ¹	Q3 16	Q2 16	Q1 16	Q4 15	Total	
Specialty Ingredients	552	529	476	540	2,097	
Performance Materials	238	239	231	256	964	
Valvoline	500	479	456	484	1,919	
Total	1,290	1,247	1,163	1,280	4,980	
						Adjusted EBITDA
Adjusted EBITDA ¹	Q3 16	Q2 16	Q1 16	Q4 15	Total	Margin
Specialty Ingredients	128	127	94	129	478	22.8%
Performance Materials	30	33	37	33	133	13.8%
Valvoline	119	115	101	97	432	22.5%
Unallocated	17	(1)	15	6	37	
Total	294	274	247	265	1,080	

¹ 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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