Ashland Inc. and Consolidated Subsidiaries **STATEMENTS OF CONSOLIDATED INCOME (LOSS)** (In millions except per share data - preliminary and unaudited)

Sales Cost of sales GROSS PROFIT Selling, general and administrative expense Research and development expense Intangibles amortization expense Equity and other income Loss on acquisitions and divestitures, net OPERATING INCOME (LOSS) Net interest and other expense (income) Other net periodic benefit loss INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES Income tax expense (benefit) INCOME FROM CONTINUING OPERATIONS Income (loss) from discontinued operations, net of income taxes NET INCOME DILUTED EARNINGS PER SHARE Income from continuing operations Income (loss) from discontinued operations Net income AVERAGE DILUTED COMMON SHARES OUTSTANDING SALES Life Sciences Personal Care Specialty Additives Intermediates Intersegment Sales	Three months ended June 30					ine mont June	ns ended 30)	
		2024	2	023		2024	2023	_	
Cost of sales	\$	544 358	\$	546 368	\$	1,591 1,147	\$ 1,674 1,134		
		186		178		444	540		
		114		84		303	256		
		15		12		42	37		
		19		24		59	70		
		-		4		3	5		
		(99)		-		(100)	-	_	
		(61)		62 3		(57)	182		
		7				(14)	(21	-	
		2		2		6	6	_	
		(70)		57		(10)	197		
		(70) (101)		57 15		(49) (229)	21		
		31		42		180	176		
		(25)		42		(27)	6		
	\$	6	\$	50	\$	153		_	
	φ 	0	φ		φ	100	<u>\$ 182</u>	-	
Income from continuing operations Income (loss) from discontinued operations	\$	0.60	\$	0.79	\$	3.53 (0.52)	\$ 3.24 0.11	_	
Net income	\$	0.12	\$	0.94	\$	3.01	\$ 3.35	_	
AVERAGE DILUTED COMMON SHARES OUTSTANDING		51		53		51	54		
SALES									
		195		219		617	666		
Personal Care		175		146		473	452		
Specialty Additives		150		152		429	456		
Intermediates		36		43		108	148		
Intersegment Sales		(12)		(14)		(36)	(48)	
	\$	544	\$	546	\$	1,591	\$ 1,674	=	
OPERATING INCOME (LOSS)									
		43		49		125	141		
		43 31		49 14		59	38		
		10		5		(40)	22		
		6		13		22	50		
Unallocated and other		(151)		(19)		(223)	(69		
	\$	(61)	\$	62	\$	(57)	\$ 182		
		<u> </u>				<u>, /</u>		=	

Ashland Inc. and Consolidated Subsidiaries CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions - preliminary and unaudited)

ASSETS \$ 399 \$ 417 Current assets \$ 399 \$ 417 Accounts receivable 224 338 Inventories 189 125 Current assets 1,385 1,506 Noncurrent assets 1,385 1,506 Noncurrent assets 1,385 1,506 Noncurrent assets 1,385 1,506 Noncurrent assets 1,294 1,373 Goodwill 1,352 1,362 Intangibles 761 886 Operating lease assets, net 116 122 Restricted investments 287 290 Asbects insurance receivable 136 127 Deferred income taxes 160 22 Other assets 256 2511 Total anoncurrent assets 256 2511 Total assets 2 362 4,433 Total assets 2 2.0 4 Short-term debt 1,32 1,32 2.0 Accured expenses and other liabilities 230 208 Current liabilities <		June 30 2024	September 3 202	30 23
Cash and cash equivalents \$ 399 \$ 417 Accounts receivable 224 338 Inventories 522 626 Other assets 189 125 Current assets 1,365 1,506 Noncurrent assets 1,365 1,506 Noncurrent assets 1,271 1,383 Property, plant and equipment 2,244 1,373 Cost 3,265 3,211 Accumulated depreciation 1,971 1,838 Net property, plant and equipment 1,294 1,373 Goodwill 1,352 1,362 Intrangibles 761 886 Operating lease assets, net 116 122 Deferred income taxes 287 290 Asbestos insurance receivable 136 127 Deferred income taxes 256 251 Total anocurrent assets 230 228 Short-term debt 1,325 1,348 Current liabilities 266 251 Current liabilities <th></th> <th></th> <th></th> <th></th>				
Accounts receivable 224 338 Inventories 532 626 Other assets 189 125 Current assets 1,385 1,506 Noncurrent assets 1,385 1,506 Noncurrent assets 1,385 1,506 Noncurrent assets 1,385 3,211 Accumulated depreciation 1,971 1,838 Net property, plant and equipment 1,224 1,373 Goodwill 1,352 1,362 Intrangibles 761 886 Operating lease assets, net 116 122 Restricted investments 287 290 Asbestos insurance receivable 136 127 Deferred income taxes 265 251 Total oncurrent assets 255 251 Total assets 256 251 Current labilities 28 5,747 \$ 5,939 LIABILITIES AND EQUITY 220 221 222 225 122 Current labilities 28			. .	
Inventories 532 626 Other assets 189 125 Current assets 1,385 1,506 Noncurrent assets 1,385 1,506 Noncurrent assets 3,265 3,211 Accumulated depreciation 1,971 1,638 Net property, plant and equipment 1,224 1,373 Goodwill 1,352 1,362 Intangibles 761 886 Operating lease assets, net 116 122 Restricted investments 287 290 Asbestos insurance receivable 136 127 Defered income taxes 160 22 Other assets 256 251 Total noncurrent assets 230 200 Short-term debt 198 210 Accreat expenses and other payables 15 - Total assets 230 200 Current liabilities 464 456 Noncurrent liabilities 15 - Total current liabilities				
Other assets189125Current assets held for sale 41 -Total current assets1,3851,506Noncurrent assets $1,385$ 1,506Noncurrent assets $1,385$ 3,211Accumulated depreciation $1,971$ 1,633Net property, plant and equipment $1,294$ 1,373Goodwill $1,352$ 1,362Intangibles761886Operating lease assets, net287290Asbestos insurance receivable136127Deferred income taxes256251Other assets256251Total assets $3,362$ 4,433Total assets $5,747$ \$ 5,939LIABILITIES AND EQUITY2220Current liabilities230208Short-term debt15-Trade and other payables2122Current liabilities2122Current liabilities2122Current liabilities464456Noncurrent liabilities464456Noncurrent liabilities43148Employee benefit obligations97100Operating lease obligations97100Operating lease obligations3148Employee benefit obligations97100Operating lease obligations100100Other liabilities224291Total current liabilities2242316Stockholders' equity2,2673,097				
Current assets held for sale41-Total current assets1,3851,506Noncurrent assets3,2653,211Cost3,2653,211Accumulated depreciation1,9711,838Net property, plant and equipment1,2941,373Goodwill1,3521,362Intangibles761886Operating lease assets, net116122Restricted investments287290Asbestos insurance receivable136127Deferred income taxes16022Other assets256251Total anocurrent assets4,3624,433Total assets\$5,747\$Current liabilities230208Current liabilities210220Current ilabilities215-Total current liabilities212Current liabilities212Current liabilities230Current liabilities212Current liabilities464456464Noncurrent liabilities427Accured expenses and other liabilities1325LABILTIES AND EQUITY1,325Current liabilities464456Noncurrent liabilities464456Noncurrent liabilities3,247Querent liabilities3,24Long-term debt1,325Long-term debt1,325Current liabilities2,316Current liabilities2,316				
Total current assets1,3851,506Noncurrent assetsProperty, plant and equipment3,2653,211Cost3,2653,2111,838Net property, plant and equipment1,9711,838Net property, plant and equipment1,2941,373Goodwill1,3521,362Intangibles761886Operating lease assets, net116122Restricted investments287290Asbestos insurance receivable136127Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$,747\$,5,939LIABILITIES AND EQUITY230208Current liabilities230208Current liabilities230208Current liabilities2122Current liabilities2122Current liabilities464456Noncurrent liabilities4,3148Employee benefit obligations97100Operating lease obligations97100Operating lease obligations97100Operating lease obligations97100Operating lease obligations232231Libbilities324291Total noncurrent liabilities324291Total noncurrent liabilities324291Total noncurrent liabilities324291Total noncurrent liabilities32429			1:	25
Noncurrent assetsProperty, plant and equipmentCostAccumulated depreciation19711,2941,373Goodwill1,2941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,12941,373Goodwill1,11111,1111,1111,				-
Property, plant and equipment Cost 3.265 3.211 Accumulated depreciation 1.971 1.838 Net property, plant and equipment 1.294 1.373 Goodwill 1.352 1.362 Intangibles 761 886 Operating lease assets, net 287 290 Asbestos insurance receivable 136 127 Deferred income taxes 160 22 Other assets 256 251 Total noncurrent assets 4.362 4.433 Total assets \$ 5,747 \$ 5,939 LIABILITIES AND EQUITY \$ 198 210 Current liabilities 198 210 220 Current liabilities 198 210 Current liabilities 230 208 Current liabilities 21 22 Current liabilities 444 456 Noncurrent liabilities 43 148 LOng-term debt 1.325 1.314 Asbestos litigation reserve 442 </td <td>Total current assets</td> <td>1,385</td> <td>1,50</td> <td>06</td>	Total current assets	1,385	1,50	06
Cost 3,265 3,211 Accumulated depreciation 1,971 1,838 Net property, plant and equipment 1,294 1,373 Goodwill 1,352 1,362 Intangibles 761 886 Operating lease assets, net 116 122 Restricted investments 287 290 Asbestos insurance receivable 136 127 Deferred income taxes 160 22 Other assets 256 251 Total anocurrent assets 4,362 4,433 Total assets \$ 5,747 \$ Current liabilities 230 208 200 Current liabilities 230 208 200 Current liabilities 230 208 200 Current liabilities 21 22 22 Current liabilities 230 208 Current liabilities 464 456 Noncurrent liabilities 1,325 1,314 Asbestos litigation reserve				
Accumulated depreciation1,9711,838Net property, plant and equipment1,2941,373Goodwill1,3521,362Intangibles761886Operating lease assets, net116122Restricted investments287290Asbestos insurance receivable136127Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITY188210Current liabilities230208Current operating lease obligations2122Current liabilities15-Total current liabilities464456Noncurrent liabilities433148Enjoyee benefit obligations97100Operating lease obligations97100Other liabilities2,3162,386Stockholders' equity2,9673,097				
Net property, plant and equipment 1,294 1,373 Goodwill 1,352 1,362 Intangibles 761 886 Operating lease assets, net 116 122 Restricted investments 287 290 Asbestos insurance receivable 136 127 Deferred income taxes 266 251 Total noncurrent assets 256 251 Total assets \$ 5,747 \$ 5,939 LIABILITIES AND EQUITY Current liabilities 230 208 Current liabilities 230 208 210 Accrued expenses and other liabilities 230 208 Current liabilities 213 22 Current liabilities 215 - Total current liabilities 464 456 Noncurrent liabilities 431 44 Long-term debt 1,325 1,314 Asbestos litigation reserve 427 427 Deferred income taxes 43 148 Employee benefit obligations				
Goodwill1,3521,362Intangibles761886Operating lease assets, net116122Restricted investments287290Asbestos insurance receivable136127Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYCurrent liabilities230208Current liabilities23020821Current operating lease obligations2122Current liabilities464456Noncurrent liabilities43144Asbestos litigation reserve427427Deferred income taxes43144Employee benefit obligations97100Operating lease obligations100106Operating lease obligations324291Total noncurrent liabilities324236Long-term debt1,3251,314Asbestos litigation reserve427427Deferred income taxes324291Total noncurrent liabilities3242316Current liabilities324236Stockholders' equity2,9673,097	Accumulated depreciation			
Intangibles761886Operating lease assets, net116122Restricted investments287290Asbestos insurance receivable136127Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYCurrent liabilities198210Accrued expenses and other liabilities230208Current liabilities198210Accrued expenses and other liabilities230208Current liabilities15-Total current liabilities464456Noncurrent liabilities433148Employee benefit obligations97100Operating lease obligations234291Total noncurrent liabilities236236Stockholders' equity2,9673,097	Net property, plant and equipment	1,294	1,3	73
Operating lease assets, net116122Restricted investments287290Asbestos insurance receivable136127Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYCurrent liabilities198210Current liabilities198210208Short-term debt\$ - \$ 1615-Trade and other payables198210208Current liabilities held for sale15-Total current liabilities464456Noncurrent liabilities4321,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities224291Total noncurrent liabilities234236Stockholders' equity2,9673,097	Goodwill	1,352	1,30	62
Restricted investments287290Asbestos insurance receivable136127Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYShort-term debt\$ - \$ 16Trade and other payables198210Accrued expenses and other liabilities230208Current liabilities held for sale15-Total current liabilities464456Noncurrent liabilities1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations97100Operating lease colligations97100Operating lease colligations324224Zerities3242,3162,386Stockholders' equity2,9673,097	Intangibles		88	86
Restricted investments 287 290 Asbestos insurance receivable136127Deferred income taxes16022Other assets 256 251Total noncurrent assets $4,362$ $4,433$ Total assets $$5,747$ $$5,939$ LIABILITIES AND EQUITYCurrent liabilitiesShort-term debt $$98$ 210Accrued expenses and other liabilities230208Current liabilities2122Current liabilities15-Total current liabilities464456Noncurrent liabilities1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations324291Total noncurrent liabilities324236Stockholders' equity2,9673,097		116	1:	22
Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYCurrent liabilities\$ - \$ 16Current liabilities198210Accrued expenses and other liabilities230208Current liabilities held for sale2122Current liabilities215-Current liabilities464456Noncurrent liabilities464456Noncurrent liabilities43148Employee benefit obligations97100Operating lease obligations97100Operating lease obligations324291Total noncurrent liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097		287	29	90
Deferred income taxes16022Other assets256251Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYCurrent liabilities\$ - \$ 16Current liabilities198210Accrued expenses and other liabilities230208Current liabilities held for sale2122Current liabilities215-Current liabilities464456Noncurrent liabilities464456Noncurrent liabilities43148Employee benefit obligations97100Operating lease obligations97100Operating lease obligations324291Total noncurrent liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097	Asbestos insurance receivable	136	1:	27
Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYCurrent liabilitiesShort-term debt\$ - \$ 16Trade and other payables198Accrued expenses and other liabilitiesCurrent operating lease obligationsCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesLong-term debtLong-term debtLong-t	Deferred income taxes			
Total noncurrent assets4,3624,433Total assets\$ 5,747\$ 5,939LIABILITIES AND EQUITYCurrent liabilitiesShort-term debt\$ - \$ 16Trade and other payables198Accrued expenses and other liabilitiesCurrent operating lease obligationsCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesCurrent liabilitiesLong-term debtLong-term debtLong-t	Other assets	256	2	51
LIABILITIES AND EQUITYCurrent liabilities\$ - \$ 16Short-term debt\$ - \$ 16Trade and other payables198Accrued expenses and other liabilities230Current operating lease obligations21Current liabilities21Current liabilities15Total current liabilities464Long-term debt1,325Long-term debt1,325Asbestos litigation reserve43Long-term debt97Operating lease obligations97Operating lease obligations97Operating lease obligations224Zurrent liabilities234Long-term debt324Current liabilities2,316Stockholders' equity2,967Stockholders' equity2,967	Total noncurrent assets		-	
Current liabilities\$ - \$ 16Short-term debt198Trade and other payables198Accrued expenses and other liabilities230Current operating lease obligations21Current liabilities held for sale15Total current liabilities464Noncurrent liabilities464Long-term debt1,325Asbestos litigation reserve427Deferred income taxes43Employee benefit obligations97Operating lease obligations100Other liabilities324Total noncurrent liabilities236Stockholders' equity2,967	Total assets	<u>\$5,747</u>	<u>\$ 5,9</u> ;	39
Current liabilities\$ - \$ 16Short-term debt198Trade and other payables198Accrued expenses and other liabilities230Current operating lease obligations21Current liabilities held for sale15Total current liabilities464Noncurrent liabilities464Long-term debt1,325Asbestos litigation reserve427Deferred income taxes43Employee benefit obligations97Operating lease obligations100Other liabilities324Total noncurrent liabilities236Stockholders' equity2,967	LIABILITIES AND FOULTY			
Short-term debt\$ - \$ 16Trade and other payables198210Accrued expenses and other liabilities230208Current operating lease obligations2122Current liabilities held for sale15-Total current liabilities464456Noncurrent liabilities464456Noncurrent liabilities427427Long-term debt1,3251,314Asbestos litigation reserve43148Employee benefit obligations97100Operating lease obligations97100Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Trade and other payables198210Accrued expenses and other liabilities230208Current operating lease obligations2122Current liabilities held for sale15-Total current liabilities464456Noncurrent liabilities464456Noncurrent liabilities427427Long-term debt1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097		\$ -	\$	16
Accrued expenses and other liabilities230208Current operating lease obligations2122Current liabilities held for sale15-Total current liabilities464456Noncurrent liabilities464456Noncurrent liabilities427427Long-term debt1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Current operating lease obligations2122Current liabilities held for sale15-Total current liabilities464456Noncurrent liabilities1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Current liabilities held for sale15-Total current liabilities464456Noncurrent liabilities1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Total current liabilities464456Noncurrent liabilities1,3251,314Long-term debt1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Long-term debt1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097			4	56
Long-term debt1,3251,314Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097	Noncurrent liabilities			
Asbestos litigation reserve427427Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097		1 325	1.3	14
Deferred income taxes43148Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Employee benefit obligations97100Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Operating lease obligations100106Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Other liabilities324291Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Total noncurrent liabilities2,3162,386Stockholders' equity2,9673,097				
Total liabilities and stockholders' equity \$ 5,747 \$ 5.939	Stockholders' equity	2,967	3,09	97
	Total liabilities and stockholders' equity	\$ 5.747	\$ 5.93	39

Ashland Inc. and Consolidated Subsidiaries STATEMENTS OF CONSOLIDATED CASH FLOWS

(In millions - preliminary and unaudited)

	Three months ende June 30			ded		hs end 30	ded	
	202	4	2	2023		2024	2	2023
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES								
FROM CONTINUING OPERATIONS								
Net income	\$	6	\$	50	\$	153	\$	182
Loss (income) from discontinued operations, net of income taxes		25		(8)		27		(6)
Adjustments to reconcile income from continuing operations to								
cash flows from operating activities								
Depreciation and amortization		61		62		221		181
Original issue discount and debt issuance cost amortization		1		1		4		4
Deferred income taxes		(1)		(4)		(137)		11
Gain from sales of property and equipment				(1)		-		(1)
Loss on acquisitions and divestitures, net		99		-		99		-
Stock based compensation expense		3		5		10		17
Excess tax benefit on stock based compensation		-		-		-		1
Income from restricted investments		(4)		(10)		(51)		(57)
Asset impairments		-		-		-		4
Pension contributions		(3)		(4)		(14)		(7)
Change in operating assets and liabilities		(59)		46		70		(166)
Total cash flows provided by operating activities from continuing operations		128		137		382		163
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES								
FROM CONTINUING OPERATIONS		(00)		((00)		(10.1)
Additions to property, plant and equipment		(29)		(44)		(99)		(101)
Proceeds from disposal of property, plant and equipment		-		3		-		3
Proceeds from settlement of Company-owned life insurance contracts		1		1		1		3
Company-owned life insurance payments		-		-		(1)		(1)
Other investing cash flows		-		-		(10)		-
Funds restricted for specific transactions		-		(1)		(5)		(7)
Reimbursements from restricted investments		23		29		60		46
Proceeds from sale of securities		18		21		39		36
Purchases of securities		(18)		(21)		(39)		(36)
Total cash flows used by investing activities from continuing operations CASH FLOWS USED BY FINANCING ACTIVITIES		(5)		(12)		(54)		(57)
FROM CONTINUING OPERATIONS								
		(120)		(150)		(220)		(200)
Repurchase of common stock Repayment of short-term debt		(130)		(158)		(230) (16)		(300)
Cash dividends paid		(20)		(20)		(10)		(56)
Stock based compensation employee withholding taxes paid in cash		(20)		(20)		(59)		(10)
Total cash flows used by financing activities from continuing operations								
		(151)		(179)		(310)		(366)
CASH PROVIDED (USED) BY CONTINUING OPERATIONS		(28)		(54)		18		(260)
Cash provided (used) by discontinued operations Operating cash flows		(12)		3		(20)		(42)
Effect of currency exchange rate changes on cash and cash equivalents		(12)		3 1		(38) 2		(43)
		(40)		(50)				6
DECREASE IN CASH AND CASH EQUIVALENTS						(18)		(297)
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u></u>	439	<u></u>	399	<u></u>	417	<u></u>	646
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$	399	\$	349	\$	399	\$	349
DEPRECIATION AND AMORTIZATION								
Life Sciences		15		18		47		51
Personal Care		20		21		59		63
Specialty Additives		23		20		105		57
Intermediates		3		3		10		10
Unallocated and other		-	-		-	-	+	-
	\$	61	\$	62	\$	221	\$	181

Ashland Inc. and Consolidated Subsidiaries **RECONCILIATION OF NON-GAAP DATA - ADJUSTED EBITDA** (In millions, proliminany and unaudited)

(In millions - preliminary and unaudited)

	Th	ree mor June		nded
Adjusted EBITDA - Ashland Inc.		024		023
Net income	\$	6	\$	50
Income tax expense (benefit)		(101)		15
Net interest and other expense		7		3
Depreciation and amortization ^(a)		54		62
EBITDA		(34)		130
Loss (income) from discontinued operations, net of income taxes		25		(8)
Operating key items (see Table 5)		148		11
Adjusted EBITDA	\$	139	\$	133
Adjusted EBITDA - Life Sciences				
Operating income	\$	43	\$	49
Add:	Ŧ		Ŧ	
Depreciation and amortization ^(a)		16		18
Operating key items (see Table 5)		-		5
Adjusted EBITDA	\$	59	\$	72
	<u>+</u>			
Adjusted EBITDA - Personal Care				
Operating income	\$	31	\$	14
Add:			•	
Depreciation and amortization ^(a)		19		21
Operating key items (see Table 5)		1		-
Adjusted EBITDA	\$	51	\$	35
,			-	
Adjusted EBITDA - Specialty Additives				
Operating income (loss)	\$	10	\$	5
Add:				
Depreciation and amortization ^(a)		16		20
Operating key items (see Table 5)		12		4
Adjusted EBITDA	\$	38	\$	29
Adjusted EBITDA - Intermediates				
Operating income	\$	6	\$	13
Add:				
Depreciation and amortization		3	+	3
Adjusted EBITDA	\$	9	\$	16

(a) Depreciation and amortization excludes accelerated depreciation expense of \$1 million and \$7 million for Personal Care and Specialty Additives, respectively, for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA. Depreciation and amortization includes \$1 million for Life Sciences associated with the Nutraceuticals business held for sale assets for the three months ended June 30, 2024, which is included as a key item within this table as a component of Adjusted EBITDA.

Ashland Inc. and Consolidated Subsidiaries SEGMENT COMPONENTS OF KEY ITEMS FOR APPLICABLE INCOME STATEMENT CAPTIONS

(In millions - preliminary and unaudited)

	Three Months Ended June 30, 2024											
	Life Sciences		Personal Care		Specialty Additives	Intermediates		Unallocated & Other		Total		
OPERATING INCOME (LOSS)												
Operating key items:												
Nutraceutical impairment	\$	-	\$	-	\$-	\$	-	\$ (99)	\$	(99)		
Environmental reserve adjustments		(1)		-	(1)		-	(33)		(35)		
Restructuring, separation and other costs		-		-	-		-	(3)		(3)		
Accelerated depreciation		-		(1)	(7)		-	-		(8)		
Other plant optimization costs		-		-	(4)		-	-		(4)		
Held for sale depreciation and amortization		1		-	-		-	-		1		
All other operating income (loss)		43		32	22		6	(16)		87		
Operating income (loss)		43		31	10		6	(151)		(61)		
NET INTEREST AND OTHER EXPENSE (INCOME)												
Key items								(1)		(1)		
All other net interest and other expense								8		8		
· ··· - ····								7		7		
OTHER NET PERIODIC BENEFIT LOSS								2		2		
NCOME TAX EXPENSE (BENEFIT)												
Tax effect of key items ^(a)								(12)		(12)		
Tax specific key items ^(b)								(106)		(106)		
All other income tax expense								17		17		
· ··· - ···· · ··· - ···								(101)		(101)		
NCOME (LOSS) FROM CONTINUING OPERATIONS	\$	43	\$	31	\$ 10	\$	6	\$ (59)	\$	31		
	<u>+</u>	10	÷					¢ (00)	÷	0.		

				Т	hree M	onths End	led June 30, 2	023			
	Life S	ciences	Perso	nal Care		ecialty ditives	Intermediate	s	Unallocated & Other		Total
OPERATING INCOME (LOSS) Operating key items: Environmental reserve adjustments Restructuring, separation and other costs ICMS Brazil tax credit All other operating income (loss) Operating income (loss)	\$	(2) (3) - 54 49	\$	- - - 14 14	\$	(4) - - 9 5	\$ 1 1	- - 3	\$ (13) (1) 12 (17) (19)	\$	(19) (4) 12 73 62
NET INTEREST AND OTHER EXPENSE (INCOME) Key items All other net interest and other expense									(6) 9 3	_	(6) 9 3
OTHER NET PERIODIC BENEFIT LOSS									2		2
INCOME TAX EXPENSE (BENEFIT) Tax effect of key items ^(a) Tax specific key items ^(b) All other income tax expense									3 (4) <u>16</u> 15		3 (4) 16 15
INCOME (LOSS) FROM CONTINUING OPERATIONS	\$	49	\$	14	\$	5	\$ 1	3	\$ (39)	\$	42

Represents the tax effect of the key items that are previously identified above. Represents key items resulting from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items. See Table 7 for additional information. (a) (b)

Ashland Inc. and Consolidated Subsidiaries **RECONCILIATION OF CERTAIN NON-GAAP DATA**

(In millions - preliminary and unaudited)

		ree month June :		nded	ided Nine months e June 30				
Free cash flows Total cash flows provided by operating activities from continuing operations Adjustments: Additions to property, plant and equipment Free cash flows Cash (inflows) outflows from U.S. Accounts Receivable Sales Program ^(a) Cash inflows from Foreign Accounts Receivable Sales Program ^(b) Restructuring-related payments ^(c) Environmental and related litigation payments ^(d) Ongoing free cash flow Net income		2024	2023		2	2024	2	.023	
Total cash flows provided by operating activities from continuing									
operations	\$	128	\$	137	\$	382	\$	163	
Adjustments:									
Additions to property, plant and equipment		(29)		(44)		(99)		(101)	
Free cash flows	\$	99	\$	93	\$	283	\$	62	
Cash (inflows) outflows from U.S. Accounts Receivable Sales									
Program ^(a)		3		(8)		(11)		14	
Cash inflows from Foreign Accounts Receivable Sales Program ^(b)		(1)		-		(123)		-	
Restructuring-related payments ^(c)		3		2		10		3	
Environmental and related litigation payments ^(d)		8		10		23		34	
Ongoing free cash flow	\$	112	\$	97	\$	182	\$	113	
Net income	\$	6	\$	50	\$	153	\$	182	
Adjusted EBITDA ^(e)	\$	139	\$	133	\$	336	\$	385	
Operating cash flow conversion ^(f) Ongoing free cash flow conversion ^(g)		2133% 81%		274% 73%		250% 54%		90% 29%	

Represents activity associated with the U.S. Accounts Receivable Sales Program impacting each period presented. (a)

(b) (c) (d)

Represents activity associated with the U.S. Accounts Receivable Sales Program impacting each period presented. Represents activity associated with the Foreign Accounts Receivable Sales Program impacting each period presented. Restructuring payments incurred during each period presented. Represents cash outflows associated with environmental and related litigation payments which will be reimbursed by the Environmental trust. See Adjusted EBITDA reconciliation. Operating cash flow conversion is defined as Cash flows provided by operating activities from continuing operations divided by Net Income. Ongoing free cash flow conversion is defined as Ongoing free cash flow divided by Adjusted EBITDA.

(e)

(f)

(g)

	T	hree mont June		Nine mon June	ths ended e 30
Adjusted operating income		2024	2023	2024	2023
Operating income (loss) (as reported)	\$	(61)	\$ 62	\$ (57)	\$ 182
Key items, before tax:					
Nutraceutical impairment		99	-	99	-
Accelerated depreciation		8	-	56	-
Environmental reserve adjustments		35	19	41	31
Restructuring, separation and other costs		3	4	28	5
Other plant optimization costs		4	-	5	-
Argentina currency devaluation impact		-	-	5	-
Asset impairments		-	-	-	4
ICMS Brazil tax credit		-	(12)	-	(12)
Held for sale depreciation and amortization		(1)	-	(1)	-
Adjusted operating income (non-GAAP)	\$	87	\$ 73	\$ 176	\$ 210

Ashland Inc. and Consolidated Subsidiaries **RECONCILIATION OF CERTAIN NON-GAAP DATA** (In millions except per share data - preliminary and unaudited)

		ree mor June		nded		June	iths ended e 30		
	2	024	2	023	2	2024	2	023	
Income from continuing operations (as reported)	\$	31	\$	42	\$	180	\$	176	
Key items, before tax:									
Nutraceutical impairment		99		-		99		-	
Accelerated depreciation		8		-		56		-	
Environmental reserve adjustments		35		19		41		31	
Restructuring, separation and other costs		3		4		28		5	
Other plant optimization costs		4		-		5		-	
Argentina currency devaluation impact		-		-		5		-	
Asset impairments		-		-		-		4	
ICMS Brazil tax credit		-		(12)		-		(12)	
Held for sale depreciation and amortization		(1)		-		(1)		-	
Unrealized gains on securities		(1)		(6)		(39)		(47)	
Key items, before tax		147		5		194		(19)	
Tax effect of key items ^(a)		(12)		3		(24)		8	
Key items, after tax		135		8		170		(11)	
Tax specific key items:									
Uncertain tax positions		9		(3)		9		(23)	
Valuation allowance		-		(1)		-		(1)	
Restructuring and separation activity		(115)		-		(115)		-	
Other and tax reform related activity		-		-		(129)		-	
Tax specific key items ^(b)		(106)		(4)		(235)		(24)	
Total key items		29		4		(65)		(35)	
Adjusted income (loss) from continuing operations (non-GAAP)	\$	60	\$	46	\$	115	\$	141	
Amortization expense adjustment (net of tax) ^(c)		15		19	_	48		56	
Adjusted income (loss) from continuing operations (non-GAAP) excluding intangibles		10		10		40			
amortization expense	\$	75	\$	65	\$	163	\$	197	

(a) (b)

Represents the tax effect of the key items that are previously identified above. Represents key items resulting from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items. These tax specific key items included the following:

- Uncertain tax positions: Includes the impact from the settlement of uncertain tax positions with various tax authorities.

- Valuation allowance: Includes the impact from the release of certain foreign tax credit valuation allowances.

- Restructuring and separation activity: Includes the tax impact of the held for sale classification for the Nutraceuticals business.

- Other and tax reform: Includes the impact from the remeasurement of Ashland's foreign deferred tax balances resulting from the impact from rate changes for foreign jurisdictions and other tax law changes enacted during 2024.

Amortization expense adjustment (net of tax) tax rates were 20% for the three and nine months ended June 30, 2024 and 2023. (c)

Ashland Inc. and Consolidated Subsidiaries **RECONCILIATION OF CERTAIN NON-GAAP DATA** (In millions except per share data - preliminary and unaudited)

	Tł	nree mor June		Ν	line mon June	ths ended e 30		
	2	024	_ 2	2023		2024		2023
Diluted EPS from continuing operations (as reported)	\$	0.60	\$	0.79	\$	3.53	\$	3.24
Key items, before tax:								
Nutraceutical impairment		1.94		-		1.94		-
Accelerated depreciation		0.16		-		1.10		-
Environmental reserve adjustments		0.69		0.36		0.80		0.58
Restructuring, separation and other costs		0.06		0.09		0.55		0.09
Other plant optimization costs		0.08		-		0.10		-
Argentina currency devaluation impact		-		-		0.10		-
Asset impairments		-		-		-		0.07
ICMS Brazil tax credit		-		(0.23)		-		(0.22)
Held for sale depreciation and amortization		(0.02)		-		(0.02)		-
Unrealized gains on securities		(0.02)		(0.12)		(0.76)		(0.87)
Key items, before tax		2.89		0.10		3.81		(0.35)
Tax effect of key items ^(a)		(0.24)		0.06		(0.48)		0.15
Key items, after tax		2.65		0.16		3.33		(0.20)
Tax specific key items:								
Uncertain tax positions		0.18		(0.06)		0.18		(0.42)
Valuation allowance		-		(0.02)		-		(0.02)
Restructuring and separation activity		(2.25)		-		(2.25)		-
Other and tax reform related activity		-		-		(2.54)		-
Tax specific key items ^(b)		(2.07)		(0.08)		(4.61)		(0.44)
Total key items	-	0.58		0.08		(1.28)		(0.64)
Adjusted diluted EPS from continuing operations (non-GAAP)	\$	1.18	\$	0.87	\$	2.25	\$	2.60
Amortization expense adjustment (net of tax) ^(c)		0.31		0.36		0.94		1.03
Adjusted diluted EPS from continuing operations (non-GAAP) excluding intangibles								
amortization expense	\$	1.49	\$	1.23	\$	3.19	\$	3.63

Represents the tax effect of the key items that are previously identified above. (a) (b)

Represents key items resulting from tax specific financial transactions, tax law changes or other matters that fall within the definition of tax specific key items. These tax specific key items included the following:

- Uncertain tax positions: Includes the impact from the settlement of uncertain tax positions with various tax authorities.

- Valuation allowance: Includes the impact from the release of certain foreign tax credit valuation allowances.

- Restructuring and separation activity: Includes the tax impact of the held for sale classification for the Nutraceuticals business.

- Other and tax reform: Includes the impact from the remeasurement of Ashland's foreign deferred tax balances resulting from the impact from rate changes for foreign jurisdictions and other tax law changes enacted during 2024.

Amortization expense adjustment (net of tax) tax rates were 20% for the three and nine months ended June 30, 2024 and 2023. (c)