

**STATEMENTS OF CONSOLIDATED INCOME (LOSS)**

(In millions except per share data - preliminary and unaudited)

|   | Three months ended<br>June 30 |                | Nine months ended<br>June 30 |                 |
|---|-------------------------------|----------------|------------------------------|-----------------|
|   | 2024                          | 2023           | 2024                         | 2023            |
| Sales   | \$ 544                        | \$ 546         | \$ 1,591                     | \$ 1,674        |
| Cost of sales   | 358                           | 368            | 1,147                        | 1,134           |
| <b>GROSS PROFIT</b>   | 186                           | 178            | 444                          | 540             |
| Selling, general and administrative expense                             | 114                           | 84             | 303                          | 256             |
| Research and development expense  | 15                            | 12             | 42                           | 37              |
| Intangibles amortization expense  | 19                            | 24             | 59                           | 70              |
| Equity and other income   | -                             | 4              | 3                            | 5               |
| Loss on acquisitions and divestitures, net                              | (99)                          | -              | (100)                        | -               |
| <b>OPERATING INCOME (LOSS)</b>  | (61)                          | 62             | (57)                         | 182             |
| Net interest and other expense (income)                                 | 7                             | 3              | (14)                         | (21)            |
| Other net periodic benefit loss   | 2                             | 2              | 6                            | 6               |
| <b>INCOME (LOSS) FROM CONTINUING OPERATIONS<br/>BEFORE INCOME TAXES</b> | (70)                          | 57             | (49)                         | 197             |
| Income tax expense (benefit)  | (101)                         | 15             | (229)                        | 21              |
| <b>INCOME FROM CONTINUING OPERATIONS</b>                                | 31                            | 42             | 180                          | 176             |
| Income (loss) from discontinued operations, net of income taxes         | (25)                          | 8              | (27)                         | 6               |
| <b>NET INCOME</b>   | <u>\$ 6</u>                   | <u>\$ 50</u>   | <u>\$ 153</u>                | <u>\$ 182</u>   |
| <b>DILUTED EARNINGS PER SHARE</b>                                       |                               |                |                              |                 |
| Income from continuing operations                                       | \$ 0.60                       | \$ 0.79        | \$ 3.53                      | \$ 3.24         |
| Income (loss) from discontinued operations                              | (0.48)                        | 0.15           | (0.52)                       | 0.11            |
| Net income  | <u>\$ 0.12</u>                | <u>\$ 0.94</u> | <u>\$ 3.01</u>               | <u>\$ 3.35</u>  |
| <b>AVERAGE DILUTED COMMON SHARES OUTSTANDING</b>                        | 51                            | 53             | 51                           | 54              |
| <b>SALES</b>  |                               |                |                              |                 |
| Life Sciences   | 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)            |
|   | <u>\$ 544</u>                 | <u>\$ 546</u>  | <u>\$ 1,591</u>              | <u>\$ 1,674</u> |
| <b>OPERATING INCOME (LOSS)</b>  |                               |                |                              |                 |
| Life Sciences   | 43                            | 49             | 125                          | 141             |
| Personal Care   | 31                            | 14             | 59                           | 38              |
| Specialty Additives   | 10                            | 5              | (40)                         | 22              |
| Intermediates   | 6                             | 13             | 22                           | 50              |
| Unallocated and other   | (151)                         | (19)           | (223)                        | (69)            |
|   | <u>\$ (61)</u>                | <u>\$ 62</u>   | <u>\$ (57)</u>               | <u>\$ 182</u>   |

Ashland Inc. and Consolidated Subsidiaries  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In millions - preliminary and unaudited)

Table 2

|  | June 30<br>2024 | September 30<br>2023 |
|--|-----------------|----------------------|
| <b>ASSETS</b>                              |                 |                      |
| Current assets                             |                 |                      |
| Cash and cash equivalents                  | \$ 399          | \$ 417               |
| Accounts receivable                        | 224             | 338                  |
| Inventories                                | 532             | 626                  |
| Other assets                               | 189             | 125                  |
| Current assets held for sale               | 41              | -                    |
| Total current assets                       | <u>1,385</u>    | <u>1,506</u>         |
| Noncurrent assets                          |                 |                      |
| Property, plant and equipment              |                 |                      |
| Cost                                       | 3,265           | 3,211                |
| Accumulated depreciation                   | <u>1,971</u>    | <u>1,838</u>         |
| 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                               | <u>256</u>      | <u>251</u>           |
| Total noncurrent assets                    | <u>4,362</u>    | <u>4,433</u>         |
| Total assets                               | <u>\$ 5,747</u> | <u>\$ 5,939</u>      |
| <b>LIABILITIES AND EQUITY</b>              |                 |                      |
| Current liabilities                        |                 |                      |
| Short-term debt                            | \$ -            | \$ 16                |
| Trade and other payables                   | 198             | 210                  |
| Accrued expenses and other liabilities     | 230             | 208                  |
| Current operating lease obligations        | 21              | 22                   |
| Current liabilities held for sale          | 15              | -                    |
| Total current liabilities                  | <u>464</u>      | <u>456</u>           |
| Noncurrent liabilities                     |                 |                      |
| Long-term debt                             | 1,325           | 1,314                |
| Asbestos litigation reserve                | 427             | 427                  |
| Deferred income taxes                      | 43              | 148                  |
| Employee benefit obligations               | 97              | 100                  |
| Operating lease obligations                | 100             | 106                  |
| Other liabilities                          | <u>324</u>      | <u>291</u>           |
| Total noncurrent liabilities               | <u>2,316</u>    | <u>2,386</u>         |
| Stockholders' equity                       | <u>2,967</u>    | <u>3,097</u>         |
| Total liabilities and stockholders' equity | <u>\$ 5,747</u> | <u>\$ 5,939</u>      |

Ashland Inc. and Consolidated Subsidiaries  
**STATEMENTS OF CONSOLIDATED CASH FLOWS**  
(In millions - preliminary and unaudited)

Table 3

|  | Three months ended<br>June 30 |               | Nine months ended<br>June 30 |               |
|--|-------------------------------|---------------|------------------------------|---------------|
|  | 2024                          | 2023          | 2024                         | 2023          |
| <b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>  |                               |               |                              |               |
| <b>FROM CONTINUING OPERATIONS</b>  |                               |               |                              |               |
| 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           |
| <b>CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES</b>  |                               |               |                              |               |
| <b>FROM CONTINUING OPERATIONS</b>  |                               |               |                              |               |
| 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                           | (5)                           | (12)          | (54)                         | (57)          |
| <b>CASH FLOWS USED BY FINANCING ACTIVITIES</b>   |                               |               |                              |               |
| <b>FROM CONTINUING OPERATIONS</b>  |                               |               |                              |               |
| Repurchase of common stock   | (130)                         | (158)         | (230)                        | (300)         |
| Repayment of short-term debt   | -                             | -             | (16)                         | -             |
| Cash dividends paid  | (20)                          | (20)          | (59)                         | (56)          |
| Stock based compensation employee withholding taxes paid in cash                                   | (1)                           | (1)           | (5)                          | (10)          |
| Total cash flows used by financing activities from continuing operations                           | (151)                         | (179)         | (310)                        | (366)         |
| <b>CASH PROVIDED (USED) BY CONTINUING OPERATIONS</b>   |                               |               |                              |               |
| Cash provided (used) by discontinued operations  | (28)                          | (54)          | 18                           | (260)         |
| Operating cash flows   | (12)                          | 3             | (38)                         | (43)          |
| Effect of currency exchange rate changes on cash and cash equivalents                              | -                             | 1             | 2                            | 6             |
| <b>DECREASE IN CASH AND CASH EQUIVALENTS</b>   | <b>(40)</b>                   | <b>(50)</b>   | <b>(18)</b>                  | <b>(297)</b>  |
| <b>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</b>   | <b>439</b>                    | <b>399</b>    | <b>417</b>                   | <b>646</b>    |
| <b>CASH AND CASH EQUIVALENTS - END OF PERIOD</b>   | <b>\$ 399</b>                 | <b>\$ 349</b> | <b>\$ 399</b>                | <b>\$ 349</b> |
| <b>DEPRECIATION AND AMORTIZATION</b>   |                               |               |                              |               |
| 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  | -                             | -             | -                            | -             |
|  | <b>\$ 61</b>                  | <b>\$ 62</b>  | <b>\$ 221</b>                | <b>\$ 181</b> |

**RECONCILIATION OF NON-GAAP DATA - ADJUSTED EBITDA**

(In millions - preliminary and unaudited)

|   | Three months ended<br>June 30 |               |
|---|-------------------------------|---------------|
|   | 2024                          | 2023          |
| <b>Adjusted EBITDA - Ashland Inc.</b>                           |                               |               |
| Net income  | \$ 6                          | \$ 50         |
| Income tax expense (benefit)                                    | (101)                         | 15            |
| Net interest and other expense                                  | 7                             | 3             |
| Depreciation and amortization <sup>(a)</sup>                    | 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   | <u>\$ 139</u>                 | <u>\$ 133</u> |
| <b>Adjusted EBITDA - Life Sciences</b>                          |                               |               |
| Operating income  | \$ 43                         | \$ 49         |
| Add:  |                               |               |
| Depreciation and amortization <sup>(a)</sup>                    | 16                            | 18            |
| Operating key items (see Table 5)                               | -                             | 5             |
| Adjusted EBITDA   | <u>\$ 59</u>                  | <u>\$ 72</u>  |
| <b>Adjusted EBITDA - Personal Care</b>                          |                               |               |
| Operating income  | \$ 31                         | \$ 14         |
| Add:  |                               |               |
| Depreciation and amortization <sup>(a)</sup>                    | 19                            | 21            |
| Operating key items (see Table 5)                               | 1                             | -             |
| Adjusted EBITDA   | <u>\$ 51</u>                  | <u>\$ 35</u>  |
| <b>Adjusted EBITDA - Specialty Additives</b>                    |                               |               |
| Operating income (loss)   | \$ 10                         | \$ 5          |
| Add:  |                               |               |
| Depreciation and amortization <sup>(a)</sup>                    | 16                            | 20            |
| Operating key items (see Table 5)                               | 12                            | 4             |
| Adjusted EBITDA   | <u>\$ 38</u>                  | <u>\$ 29</u>  |
| <b>Adjusted EBITDA - Intermediates</b>                          |                               |               |
| Operating income  | \$ 6                          | \$ 13         |
| Add:  |                               |               |
| Depreciation and amortization                                   | 3                             | 3             |
| Adjusted EBITDA   | <u>\$ 9</u>                   | <u>\$ 16</u>  |

(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.

**SEGMENT COMPONENTS OF KEY ITEMS FOR APPLICABLE INCOME STATEMENT CAPTIONS**

(In millions - preliminary and unaudited)

|   | Three Months Ended June 30, 2024 |               |                     |               |                     | Total        |
|---|----------------------------------|---------------|---------------------|---------------|---------------------|--------------|
|   | Life Sciences                    | Personal Care | Specialty Additives | Intermediates | Unallocated & Other |              |
| <b>OPERATING INCOME (LOSS)</b>                  |                                  |               |                     |               |                     |              |
| 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)         |
| <b>NET INTEREST AND OTHER EXPENSE (INCOME)</b>  |                                  |               |                     |               |                     |              |
| Key items                                       |                                  |               |                     |               | (1)                 | (1)          |
| All other net interest and other expense        |                                  |               |                     |               | 8                   | 8            |
|   |                                  |               |                     |               | 7                   | 7            |
| <b>OTHER NET PERIODIC BENEFIT LOSS</b>          |                                  |               |                     |               |                     |              |
|   |                                  |               |                     |               | 2                   | 2            |
| <b>INCOME TAX EXPENSE (BENEFIT)</b>             |                                  |               |                     |               |                     |              |
| Tax effect of key items <sup>(a)</sup>          |                                  |               |                     |               | (12)                | (12)         |
| Tax specific key items <sup>(b)</sup>           |                                  |               |                     |               | (106)               | (106)        |
| All other income tax expense                    |                                  |               |                     |               | 17                  | 17           |
|   |                                  |               |                     |               | (101)               | (101)        |
| <b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b> | <b>\$ 43</b>                     | <b>\$ 31</b>  | <b>\$ 10</b>        | <b>\$ 6</b>   | <b>\$ (59)</b>      | <b>\$ 31</b> |

  

|   | Three Months Ended June 30, 2023 |               |                     |               |                     | Total        |
|---|----------------------------------|---------------|---------------------|---------------|---------------------|--------------|
|   | Life Sciences                    | Personal Care | Specialty Additives | Intermediates | Unallocated & Other |              |
| <b>OPERATING INCOME (LOSS)</b>                  |                                  |               |                     |               |                     |              |
| Operating key items:                            |                                  |               |                     |               |                     |              |
| Environmental reserve adjustments               | \$ (2)                           | \$ -          | \$ (4)              | \$ -          | \$ (13)             | \$ (19)      |
| Restructuring, separation and other costs       | (3)                              | -             | -                   | -             | (1)                 | (4)          |
| ICMS Brazil tax credit                          | -                                | -             | -                   | -             | 12                  | 12           |
| All other operating income (loss)               | 54                               | 14            | 9                   | 13            | (17)                | 73           |
| Operating income (loss)                         | 49                               | 14            | 5                   | 13            | (19)                | 62           |
| <b>NET INTEREST AND OTHER EXPENSE (INCOME)</b>  |                                  |               |                     |               |                     |              |
| Key items                                       |                                  |               |                     |               | (6)                 | (6)          |
| All other net interest and other expense        |                                  |               |                     |               | 9                   | 9            |
|   |                                  |               |                     |               | 3                   | 3            |
| <b>OTHER NET PERIODIC BENEFIT LOSS</b>          |                                  |               |                     |               |                     |              |
|   |                                  |               |                     |               | 2                   | 2            |
| <b>INCOME TAX EXPENSE (BENEFIT)</b>             |                                  |               |                     |               |                     |              |
| Tax effect of key items <sup>(a)</sup>          |                                  |               |                     |               | 3                   | 3            |
| Tax specific key items <sup>(b)</sup>           |                                  |               |                     |               | (4)                 | (4)          |
| All other income tax expense                    |                                  |               |                     |               | 16                  | 16           |
|   |                                  |               |                     |               | 15                  | 15           |
| <b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b> | <b>\$ 49</b>                     | <b>\$ 14</b>  | <b>\$ 5</b>         | <b>\$ 13</b>  | <b>\$ (39)</b>      | <b>\$ 42</b> |

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

(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. See Table 7 for additional information.

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

Table 6

|  | Three months ended<br>June 30 |        | Nine months ended<br>June 30 |        |
|--|-------------------------------|--------|------------------------------|--------|
|  | 2024                          | 2023   | 2024                         | 2023   |
| <b>Free cash flows</b>   |                               |        |                              |        |
| 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 <sup>(a)</sup> | 3                             | (8)    | (11)                         | 14     |
| Cash inflows from Foreign Accounts Receivable Sales Program <sup>(b)</sup>         | (1)                           | -      | (123)                        | -      |
| Restructuring-related payments <sup>(c)</sup>                                      | 3                             | 2      | 10                           | 3      |
| Environmental and related litigation payments <sup>(d)</sup>                       | 8                             | 10     | 23                           | 34     |
| Ongoing free cash flow   | \$ 112                        | \$ 97  | \$ 182                       | \$ 113 |
| Net income   | \$ 6                          | \$ 50  | \$ 153                       | \$ 182 |
| Adjusted EBITDA <sup>(e)</sup>   | \$ 139                        | \$ 133 | \$ 336                       | \$ 385 |
| Operating cash flow conversion <sup>(f)</sup>                                      | 2133%                         | 274%   | 250%                         | 90%    |
| Ongoing free cash flow conversion <sup>(g)</sup>                                   | 81%                           | 73%    | 54%                          | 29%    |

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

|  | Three months ended<br>June 30 |       | Nine months ended<br>June 30 |        |
|--|-------------------------------|-------|------------------------------|--------|
|  | 2024                          | 2023  | 2024                         | 2023   |
| <b>Adjusted operating income</b>             |                               |       |                              |        |
| <b>Operating income (loss) (as reported)</b> | \$ (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)                          | -      |
| <b>Adjusted operating income (non-GAAP)</b>  | \$ 87                         | \$ 73 | \$ 176                       | \$ 210 |

**RECONCILIATION OF CERTAIN NON-GAAP DATA**

(In millions except per share data - preliminary and unaudited)

|  | Three months ended<br>June 30 |              | Nine months ended<br>June 30 |               |
|--|-------------------------------|--------------|------------------------------|---------------|
|  | 2024                          | 2023         | 2024                         | 2023          |
| <b>Income from continuing operations (as reported)</b>   | \$ 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 <sup>(a)</sup>   | (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 <sup>(b)</sup>  | (106)                         | (4)          | (235)                        | (24)          |
| Total key items  | 29                            | 4            | (65)                         | (35)          |
| <b>Adjusted income (loss) from continuing operations (non-GAAP)</b>  | <b>\$ 60</b>                  | <b>\$ 46</b> | <b>\$ 115</b>                | <b>\$ 141</b> |
| Amortization expense adjustment (net of tax) <sup>(c)</sup>  | 15                            | 19           | 48                           | 56            |
| <b>Adjusted income (loss) from continuing operations (non-GAAP) excluding intangibles amortization expense</b> | <b>\$ 75</b>                  | <b>\$ 65</b> | <b>\$ 163</b>                | <b>\$ 197</b> |

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

(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.

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

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

Table 7 (Continued)

|  | Three months ended<br>June 30 |                | Nine months ended<br>June 30 |                |
|--|-------------------------------|----------------|------------------------------|----------------|
|  | 2024                          | 2023           | 2024                         | 2023           |
| <b>Diluted EPS from continuing operations (as reported)</b>  | \$ 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 <sup>(a)</sup>   | (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 <sup>(b)</sup>  | (2.07)                        | (0.08)         | (4.61)                       | (0.44)         |
| Total key items  | 0.58                          | 0.08           | (1.28)                       | (0.64)         |
| <b>Adjusted diluted EPS from continuing operations (non-GAAP)</b>  | <b>\$ 1.18</b>                | <b>\$ 0.87</b> | <b>\$ 2.25</b>               | <b>\$ 2.60</b> |
| Amortization expense adjustment (net of tax) <sup>(c)</sup>  | 0.31                          | 0.36           | 0.94                         | 1.03           |
| <b>Adjusted diluted EPS from continuing operations (non-GAAP) excluding intangibles amortization expense</b> | <b>\$ 1.49</b>                | <b>\$ 1.23</b> | <b>\$ 3.19</b>               | <b>\$ 3.63</b> |

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

(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.

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