Valvoline

Fourth-Quarter Fiscal 2016 Earnings Conference Call

November 9, 2016



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. Valvoline™ has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "may," "will," "should" and "intends" and the negative of these words or other comparable terminology. In addition, Valvoline™ 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 Valvoline's current expectations and assumptions regarding, as of the date such statements are made, Valvoline's future operating performance and financial condition, including Valvoline's separation from Ashland (the "separation"), the expected timetable for Ashland's spin-off of its remaining Valvoline common stock to Ashland shareholders (the "spin-off") and Valvoline's future financial and operating performance, strategic and competitive advantages, leadership and future opportunities, as well as the economy and other future events or circumstances. Valvoline'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: demand for Valvoline's products and services; sales growth in emerging markets; the prices and margins of Valvoline's products and services; the strength of Valvoline's reputation and brand; Valvoline's ability to develop and successfully market new products and implement its digital platforms; Valvoline's ability to retain its largest customers; potential product liability claims; achievement of the expected benefits of the separation; Valvoline's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Valvoline's future cash flows, results of operations, financial condition and Valvoline's ability to repay debt) and other liabilities; operating as a standalone public company; Valvoline's ongoing relationship with Ashland; failure, caused by Valvoline, of Ashland's spin-off of Valvoline common stock to Ashland shareholders to qualify for tax-free treatment, which may result in significant tax liabilities to Ashland for which Valvoline may be required to indemnify Ashland; and the impact of acquisitions and/or divestitures Valvoline has made or may make (including the possibility that Valvoline may not realize the anticipated benefits from such transactions). These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although Valvoline believes that the expectations reflected in these forward-looking statements are reasonable, Valvoline cannot guarantee future results, level of activity, performance or achievements. In addition, neither Valvoline nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by Valvoline or any other person that Valvoline will achieve its objectives and plans in any specified time frame, or at all. These forward-looking statements speak only as of the date of this presentation. Except as required by law, Valvoline assumes no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

Please see the Risk Factors Section of Valvoline's Registration Statement on Form S-1 filed with the SEC, which is available on Valvoline's website at http://investors.valvoline.com or on the SEC's website at http://www.sec.gov for a more complete discussion of the risks and uncertainties mentioned above and for discussion of other risks and uncertainties. All forward-looking statements attributable to Valvoline are expressly qualified in their entirety by these cautionary statements as well as others made in this presentation and hereafter in Valvoline's other SEC filings and public communications. You should evaluate all forward-looking statements made by Valvoline in the context of these risks and uncertainties.

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.

Opening Remarks

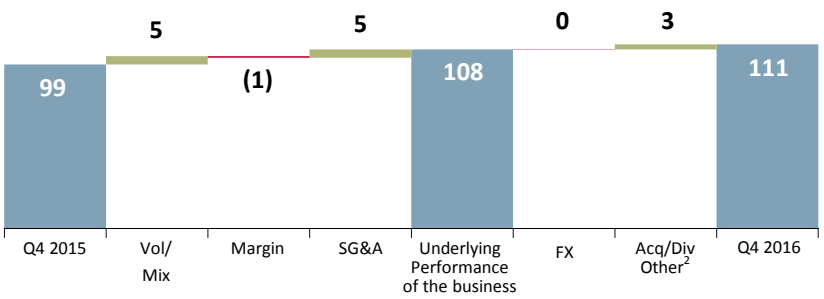
Executed successful operational separation and initial public offering of VVV

- ✓ Operationally separate from Ashland as of August 1st
- ✓ Priced 34.5 million shares on September 22nd, raising $759 million in equity capital
- ✓ Raised $750 million in debt capital and achieved target credit rating of BB (Ba2)
- ✓ Established natural shareholder base

Adjusted Results[1]
Valvoline

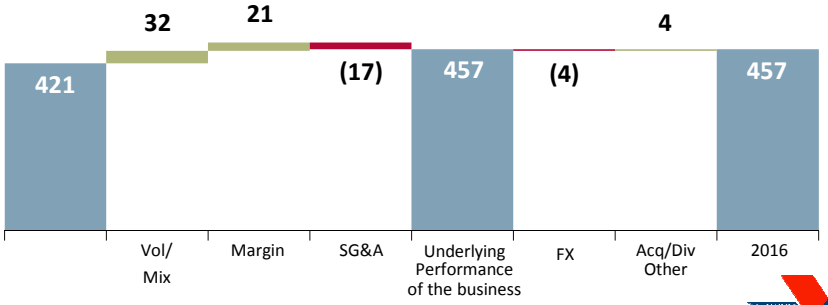
($ in millions) Preliminary	Fiscal Fourth Quarter Three months ended Sept. 30, 2016	2015	Change
Lubricant gallons (in millions)	44.5	43.5	2 %
Sales	$ 494	$ 484	2 %
Earnings before interest, taxes, depreciation and amortization (EBITDA)	$ 111	$ 99	12 %
EBITDA as a percent of sales	22.5 %	20.5 %	200 bp
Adjusted earnings per share (Adj. EPS)	$ 0.29	$ 0.28	4 %

Factors affecting year-over-year EBITDA



($ in millions) Preliminary	Fiscal Year Twelve months ended Sept. 30, 2016	2015	Change
Lubricant gallons (in millions)	174.5	167.4	4 %
Sales	$ 1,929	$ 1,967	(2) %
Earnings before interest, taxes, depreciation and amortization (EBITDA)	$ 457	$ 421	9 %
EBITDA as a percent of sales	23.7 %	21.4 %	230 bp
Adjusted earnings per share (Adj. EPS)	$ 1.31	$ 1.24	6 %

Factors affecting year-over-year EBITDA



[1] For reconciliation of adjusted amounts to amounts reported under GAAP, please refer to Valvoline's earnings release dated November 8, 2016, available on Valvoline's website at http://investor.valvoline.com and to the appendix found in this presentation.

Full Year Fiscal 2016 Accomplishments

Core North America

- ✓ Grew share in DIY; premium mix enhancement and heavy duty growth
- ✓ Strengthened distribution network and renewed multi-year contracts with two of our largest national installer accounts

Quick Lubes

- ✓ Successfully executed Valvoline's largest ever acquisition, Oil Can Henry's
- ✓ Delivered 10th straight year of same-store sales growth

International

- ✓ Grew in our target emerging markets
- ✓ Grew with key OEMs including the renewal of two long-term contracts

Fiscal 2017 Objectives

Core Priorities

1) Drive business results in each segment; growing market share and unit margins
2) Grow retail presence both organically and inorganically
3) Invest in digital marketing and infrastructure
4) Establish strong culture of creating value for shareholders

Outlook

Lubricant gallons	2-3%
Revenues	3-5%
New stores	
VIOC Company owned	5-10
VIOC Franchised	15-25
Same Store Sales	3-5%
Pension income	$66 million
One-time separation related expenses	$25 - $30 million
Adjusted EBITDA margin[1]	24.5-25.5%
Depreciation and amortization	$40 - $45 million
Effective Tax Rate	34-35%
Diluted adjusted earnings per share	$1.31 - $1.41
Capital expenditures	$70 - $80 million
Free cash flow	$90 - $100 million

1. Adjusted EBITDA margin excludes separation related expenses as these are one-time items and do not reflect ongoing results.

Questions?

