Ashland production unit at Calvert City is offline, equipment requires replacement with no impact expected to customer orders

September 30, 2025

Primary impact includes absorption-related inefficiencies and repair costs

Wilmington, Del., Sept. 30, 2025 (GLOBE NEWSWIRE) -- Ashland Inc. (NYSE: ASH) today announced that a production unit at its Calvert City, Kentucky manufacturing facility is currently offline following an equipment-related incident that occurred earlier this month.

The affected unit was safely shut down for repairs and fabrication and installation of new equipment will be required to restore full functionality. Based on current assessments, repairs are expected to be completed during fiscal Q1 2026, primarily due to the lead time required for sourcing parts.

The damage and repair activities are confined to Ashland's upstream operations. While a production unit will be temporarily shut down during the repair period, the site remains partially operational. Ashland does not anticipate any impact on customer deliveries or sales commitments during the outage period, supported by finished goods inventory and ongoing production from unaffected units.

The company expects the primary impact to be operational in nature, including repair costs and absorption-related inefficiencies. Ashland is actively coordinating production and inventory across its integrated network to support efficient operations and optimize working capital. Ashland currently estimates the Adjusted EBITDA impact to be minimal in fiscal 2025 with a carryover impact of approximately $10 million in fiscal 2026, depending on final repair timing and absorption dynamics. The financial impact remains an estimate and will be updated as new relevant information becomes available.

Ashland expects to provide its next update on the status of repairs and operational impact during its Q4 earnings release.

About Ashland
Ashland Inc. (NYSE: ASH) is a global additives and specialty ingredients company with a conscious and proactive mindset for environmental, social and governance (ESG). The company serves customers in a wide range of consumer and industrial markets, including architectural coatings, construction, energy, food and beverage, personal care and pharmaceutical. Approximately 2,960 passionate, tenacious solvers – from renowned scientists and research chemists to talented engineers and plant operators – thrive on developing practical, innovative and elegant solutions to complex problems for customers in more than 100 countries. Visit ashland.com and ashland.com/ESG to learn more.

Forward-Looking Statements
This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable terminology. Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the U.S. 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, financial, operating cash flow and liquidity, as well as the economy and other future events or circumstances. These statements include, but are not limited to, Ashland's expectations regarding the equipment incident, including operational impacts, financial impacts, effects on customer deliveries and sales during the outage, and plans to report repair status and operational impact in the Q4 earnings release.

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: severe weather, natural disasters, public health crises, cyber events and legal proceedings and claims (including product recalls, and environmental and asbestos matters); and, without limitation, risks and uncertainties affecting Ashland that are described in Ashland's most recent Annual Report of Form 10-K (including Item 1A Risk Factors) filed with the SEC, which is available on Ashland's website at http://investor.ashland.com or on the SEC's website at http://www.sec.gov. Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements. Ashland believes its expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, Ashland undertakes no obligation to update any forward-looking statements made in this news release whether as a result of new information, future events or otherwise.

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Attachment

- Ashland Provides Operational Update 20250930