
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 14, 2017

ASHLAND GLOBAL HOLDINGS INC.

(Exact name of registrant as specified in charter)

Delaware
(State of Incorporation or
Organization)

333-211719
(Commission File Number)

81-2587835
(IRS Employer Identification No.)

50 E. RiverCenter Boulevard
Covington, Kentucky 41011
(Address of principal executive offices)

(859) 815-3333
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement

On April 14, 2017, Ashland LLC (the “Company”), a subsidiary of Ashland Global Holdings Inc. (“Ashland”), entered into a definitive stock purchase agreement (the “Agreement”) with (i) Pharmachem Laboratories, Inc., a privately-held New Jersey corporation (“Pharmachem”), (ii) the shareholders of Pharmachem and Dr. David Peele, a shareholder of Avoca, Inc. (“Avoca”), a subsidiary of Pharmachem (collectively, the “Sellers”) and (iii) Photon SH Representative LLC, as the shareholders’ representative.

Pursuant to the Agreement, the Company will acquire all of the outstanding equity interests of Pharmachem (the “Pharmachem Stock Purchase”) for \$660 million in cash (the “Purchase Price”). Immediately following the Pharmachem Stock Purchase, Pharmachem will acquire all of the shares of common stock of Avoca owned by Dr. David Peele (the “Avoca Stock Purchase” and, together with the Pharmachem Stock Purchase, the “Acquisition”). Following the Avoca Stock Purchase, Avoca will be a wholly owned subsidiary of Pharmachem. The Purchase Price is subject to customary adjustments for net working capital, cash, indebtedness and transaction expenses.

The Company, Pharmachem and the Sellers have made customary representations and warranties and have agreed to customary covenants relating to the Acquisition. The consummation of the Acquisition is subject to satisfaction or waiver of certain closing conditions, including (i) the expiration or termination of any required waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended and (ii) the trustee of the Pharmachem Laboratories, Inc. Employee Stock Ownership Plan receiving a Fairness Opinion (as defined in the Agreement) reconfirming the Fairness Opinion it received at signing, among other conditions. The Acquisition is expected to close in the quarter ending June 30, 2017. The Agreement contains customary termination rights.

The above description of the Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Agreement.

Item 7.01. Regulation FD Disclosure

On April 17, 2017, Ashland made available an Investor Presentation on the “Investor Center” section of Ashland’s website located at <http://investor.ashland.com>. A copy of the Investor Presentation is attached hereto as Exhibit 99.1 and is incorporated herein by reference solely for purposes of this Item 7.01 disclosure.

Item 8.01. Other Events

Issuance of News Release

On April 17, 2017, Ashland issued a news release in connection with the Acquisition. The full text of the news release is attached hereto as Exhibit 99.2.

Forward-Looking Statements

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as “anticipates,” “believes,” “expects,” “estimates,” “is likely,” “predicts,” “projects,” “forecasts,” “objectives,” “may,” “will,” “should,” “plans” and “intends” and the negative of these words or other comparable terminology. These forward-looking statements include statements relating to our expectation that the proposed acquisition of Pharmachem Laboratories, Inc. (Pharmachem) will be completed before the end of the June quarter. In addition, Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the SEC, news releases and other written and oral communications. These forward-looking statements are based on Ashland’s expectations and assumptions, as of the date such statements are made, regarding Ashland’s future operating performance and financial condition, the expected completion of the final separation of Valvoline Inc., the strategic and competitive advantages of each company, and future opportunities for each company, as well as the economy and other future events or circumstances. Ashland’s expectations and assumptions include, without limitation, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: Ashland’s substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Ashland’s future cash flows, results of operations, financial condition and its ability to repay debt); the impact of acquisitions and/or divestitures Ashland has made or may make, including the proposed acquisition of Pharmachem (including the possibility that Ashland may not complete the proposed acquisition of Pharmachem or Ashland may not realize the anticipated benefits from such transactions); and severe weather, natural disasters, and legal proceedings and claims (including environmental and asbestos matters). Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements, including, without limitation, risks and uncertainties affecting Ashland that are described in Ashland’s most recent 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>. 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 Form 8-K whether as a result of new information, future events or otherwise. Information on Ashland’s website is not incorporated into or a part of this Form 8-K.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits. The following Exhibits are filed as part of this Report on Form 8-K.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Investor Presentation, dated April 17, 2017.
99.2	News Release issued by Ashland Global Holdings Inc., dated April 17, 2017.

In connection with the disclosures set forth in Items 7.01 and 8.01 above, the information in such items of this Form 8-K, including the related exhibits attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section. The information in such items of this Form 8-K, including the related exhibits, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing. This Form 8-K will not be deemed an admission as to the materiality of any information in this Form 8-K that is required to be disclosed solely by Regulation FD.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ASHLAND GLOBAL HOLDINGS INC.

(Registrant)

April 17, 2017

By: /s/ J. Kevin Willis

Name: J. Kevin Willis

Title: Senior Vice President and Chief Financial
Officer

EXHIBIT INDEX

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Ashland Global Holdings Inc. Announces Agreement to Acquire Pharmachem Laboratories, Inc.

April 17, 2017



 ashland.com / efficacy usability allure integrity profitability™

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Ashland has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "objectives," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable terminology. These forward-looking statements include statements relating to our expectation that the proposed acquisition of Pharmachem Laboratories, Inc. (Pharmachem) will be completed before the end of the June quarter and that the proposed acquisition will be accretive to earnings per share. In addition, Ashland may from time to time make forward-looking statements in its annual reports, quarterly reports and other filings with the SEC, news releases and other written and oral communications. These forward-looking statements are based on Ashland's expectations and assumptions, as of the date such statements are made, regarding Ashland's future operating performance and financial condition, the expected completion of the final separation of Valvoline Inc., the strategic and competitive advantages of each company, and future opportunities for each company, as well as the economy and other future events or circumstances. Ashland's expectations and assumptions include, without limitation, internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, operating efficiencies and economic conditions (such as prices, supply and demand, cost of raw materials, and the ability to recover raw-material cost increases through price increases), and risks and uncertainties associated with the following: Ashland's substantial indebtedness (including the possibility that such indebtedness and related restrictive covenants may adversely affect Ashland's future cash flows, results of operations, financial condition and its ability to repay debt); the impact of acquisitions and/or divestitures Ashland has made or may make, including the proposed acquisition of Pharmachem (including the possibility that Ashland may not complete the proposed acquisition of Pharmachem or Ashland may not realize the anticipated benefits from such transactions); and severe weather, natural disasters, and legal proceedings and claims (including environmental and asbestos matters). Various risks and uncertainties may cause actual results to differ materially from those stated, projected or implied by any forward-looking statements, including, without limitation, risks and uncertainties affecting Ashland that are described in Ashland's most recent 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>. Ashland believes its expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, Ashland undertakes no obligation to update any forward-looking statements made in this presentation whether as a result of new information, future events or otherwise. Information on Ashland's website is not incorporated into or a part of this presentation.

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.

Transaction Overview

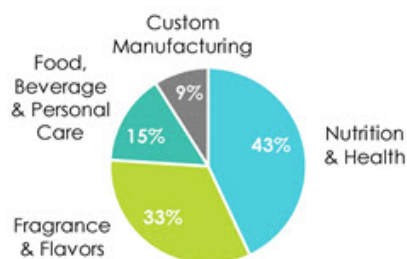
- Purchase price of \$660 million
- Transaction to be funded with bank financing and available cash
- Transaction multiple of ~10.5x Pharmachem's estimated fiscal 2017 adjusted EBITDA; ~7.5x after adjusting for expected cost synergies and tax optimization
- Expected to be accretive to earnings per share (EPS) in first year following the acquisition; also expected to generate significant cash flow
- Meaningful synergies from leveraging our combined capabilities
- Transaction expected to close by the end of June quarter

Pharmachem Overview

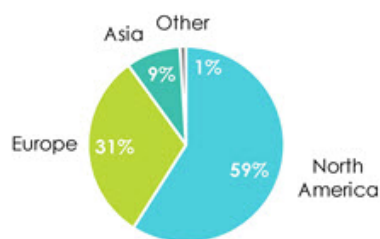
Overview

- Revenue of ~\$300 million and adjusted EBITDA margin of ~20%
- Privately held; majority family owned
- Leading international provider of (i) customized solutions and high quality ingredients to the global health and wellness industries and (ii) high value, differentiated products to fragrance and flavor houses
 - Applications include nutraceuticals, fine perfumes, laundry and personal care products, skin care, cosmetics and food and beverage
- Strong capabilities in extraction, refining, granulation, spray drying, turnkey packaging solutions, fermentation and fermentation purification

Revenue By End Market



Revenue By Geography



Revenue: ~\$300 million

Strategic Rationale

Strengthens our existing business with advanced processing know-how and formulation expertise

- ✓ **Leverages our customization capabilities into niches where we create value**
 - High customer-intimacy sales model emphasizing custom / tailored products
 - Creates unique industry offering: leveraging Pharmachem's custom manufacturing capabilities with Ashland's formulation knowledge and excipients expertise
 - Leverages our extensive sales channels, technical service network and global applications labs to accelerate Pharmachem growth outside of North America
 - Enhances Ashland's food ingredient business by adding customized functional solutions

- ✓ **Expands scope / range of our products & service offerings**
 - Adds high value, differentiated products sold to the major fragrance and flavor houses
 - Enhances Ashland's position in the high growth nutraceutical market – lying at the intersection of Pharma and Nutrition

- ✓ **Expands our presence in attractive end markets**
 - Focused on attractive end markets including food, beverage, nutrition, and fragrance and flavors

Synergies

- Expected annual cost synergies of ~\$10 million, primarily driven by leverage from Ashland's scale and infrastructure, de-tolling opportunities and in-sourcing initiatives
- Cost synergies expected to be realized by end of second year following transaction close
- Incremental tax synergies with expected net present value of ~\$110 million
 - Driven by integration of Pharmachem into Ashland's global business structure

Financial Impact

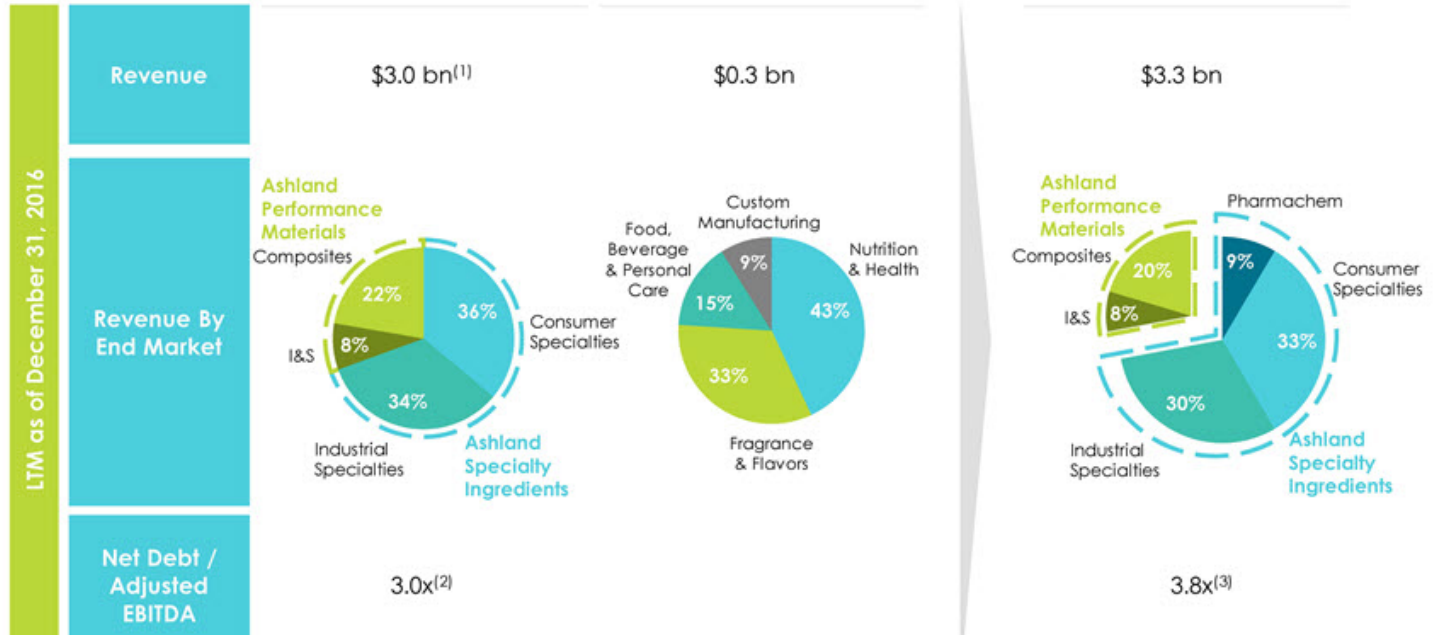
- Expected to be accretive to EPS in first year following close of the transaction and to enhance long-term EPS growth
- Strong cash flow generation
- Attractive double-digit returns
- Accretive to EBITDA margins
- Financed primarily with bank financing with remainder from cash on hand
 - Average cost of debt (pre-tax) of approximately 3-4%
 - Incremental ~\$20 million of annual interest expense
 - Estimated pro forma net debt / adjusted EBITDA ratio at closing of 3.8x, with strong post-close de-leveraging profile
- Remain committed to targeting mid to high BB credit ratings
 - Expected gross debt / adjusted EBITDA below 3.5x⁽¹⁾ over time

(1) Although Ashland provides forward-looking guidance for adjusted EBITDA, Ashland is not reaffirming or providing forward-looking guidance for U.S. GAAP-reported financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort.

Pro Forma Combination



Pharmachem



(1) Represents Ashland Specialty Ingredients and Ashland Performance Materials as reported in Q1 2017 Earnings Presentation.
 (2) Net debt is calculated as Ashland's reported net debt of \$2,228 million as of December 31, 2016, adjusted for the Valvoline separation of \$510 million. Adjusted EBITDA is calculated as Ashland's reported trailing 12-month Adjusted EBITDA of \$1,042 million as of December 31, 2016, adjusted for the Valvoline separation of \$471 million.
 (3) Net debt is calculated as Ashland's reported net debt as of December 31, 2016, adjusted for the Valvoline separation and Pharmachem acquisition. Adjusted EBITDA is calculated as Ashland's reported trailing 12-month Adjusted EBITDA as of December 31, 2016, adjusted for the Valvoline separation and Pharmachem acquisition.
 (4) Please refer to Appendix of this presentation for reconciliations.

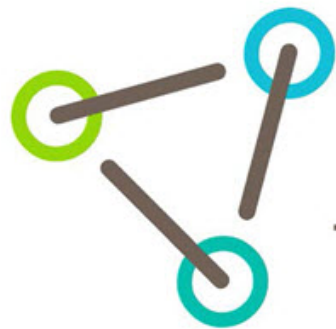
Summary

Acquisition of Pharmachem strategically and financially compelling

- ✓ Acquisition of Pharmachem strengthens our existing business with advanced processing know-how and formulation expertise
- ✓ Enhances Ashland's position in the high growth nutraceutical end markets and opens up a new market opportunity in fragrance and flavors
- ✓ Creates unique industry offering by leveraging Pharmachem's custom manufacturing capabilities with Ashland's formulation knowledge and excipients expertise
- ✓ Expected to be accretive to EPS in first year following close of transaction and to enhance long-term EPS growth
- ✓ Attractive double-digit returns driven by Pharmachem's strong cash flow generation
- ✓ More information to be shared during Ashland's second-quarter earnings webcast on April 26 and at Investor Day in New York City on May 1

Near-Term Calendar

- Ashland plans to report financial results for Q2 FY 2017 after the NYSE closes on April 25 and to host a webcast with investors the following morning on April 26
- Ashland Investor Day scheduled for May 1 in New York City
- The full separation of Valvoline remains on track
 - Subject to market conditions and other factors, Ashland presently intends to distribute the remaining Valvoline shares following the release of Q2 FY 2017 earnings results by both Ashland and Valvoline
- Pharmachem transaction expected to close by the end of June quarter



AshlandTM
always solving

Ashland Global Holdings Inc. and Consolidated Subsidiaries
Reconciliation of Non-GAAP Data
for 12 Months Ended December 31, 2016

(\$ millions, except percentages)

Sales ¹	Q1 17	Q4 16	Q3 16	Q2 16	Total	
Specialty Ingredients	482	532	552	529	2,095	
Performance Materials	222	222	238	239	921	
Valvoline	489	494	500	479	1,962	
Total	1,193	1,248	1,290	1,247	4,978	

Adjusted EBITDA ¹	Q1 17	Q4 16	Q3 16	Q2 16	Total	Adjusted EBITDA Margin
Specialty Ingredients	95	126	128	127	476	22.7%
Performance Materials	21	17	30	33	101	11.0%
Valvoline	108	106	119	115	448	22.8%
Unallocated	(9)	10	17	(1)	17	
Total	215	259	294	274	1,042	

¹ Quarterly totals may not sum to actual results due to quarterly rounding conventions. Calculation of adjusted EBITDA for each quarter has been reconciled within certain financial filings with the SEC and posted on Ashland's website for each reportable segment.



News

Release

Ashland to acquire Pharmachem Laboratories, a leading international provider of ingredients to global health and wellness industries and products to fragrance and flavor houses

Transaction expected to strengthen Ashland's position in fast-growing nutraceutical end market while advancing the company's processing know-how and formulation expertise

COVINGTON, KY, April 17, 2017 – Ashland Global Holdings Inc. (NYSE: ASH) today announced that its subsidiary has signed a definitive agreement to acquire privately owned Pharmachem Laboratories, Inc., a leading provider of quality ingredients to the global health and wellness industries and high-value differentiated products to fragrance and flavor houses. Under terms of the stock purchase agreement, Ashland will pay \$660 million in an all-cash transaction that is expected to be completed before the end of the June quarter. The acquisition, which is subject to customary closing conditions and required regulatory approvals, will be funded with bank financing and available cash. The acquisition is expected to be accretive to Ashland's earnings per share in the first year following the close of the transaction.

With annual revenues of approximately \$300 million and 14 manufacturing facilities in the United States and Mexico, New Jersey-based Pharmachem develops, manufactures and supplies custom and branded nutritional and fragrance products. The 38-year-old company, whose customers are some of the best-known consumer brands in the world, sells to the following end markets:

- Nutrition and health (43 percent of total sales) – Key supplier to \$39 billion vitamin and dietary supplement market;
- Fragrance and flavors (33 percent) – Primary application as an ingredient for fragrances in consumer products such as laundry detergents and fine perfumes;
- Food, beverage and personal care (15 percent) – Ingredients used in products sold through specialty retailers, multi-level marketers, and topical skin care and cosmetics; and
- Custom manufacturing (9 percent) – Services include refining, granulation and spray drying. Also operates one of the largest custom extraction facilities for natural ingredients in North America.

“The acquisition of Pharmachem offers a number of exciting growth opportunities in higher-margin end markets while also strengthening our specialty product line,” said William A. Wulfsohn, Ashland chairman and chief executive officer. “This combination will enhance our position in fast-growing nutraceutical end markets, open a new opportunity within fragrances and flavors, and strengthen Ashland's food ingredient business by adding customized functional solutions.”

He continued: "We were also extremely impressed by Pharmachem's world-class operations, leading market positions, dedicated employees and talented leadership team. In combining Pharmachem and Ashland, we can leverage our extensive sales channels, technical service network and global applications labs to accelerate Pharmachem's growth. We look forward to discussing the Pharmachem transaction in more detail during our second-quarter earnings webcast next week and Ashland's Investor Day in New York City on May 1."

"This is a great strategic fit for Pharmachem as we look to build on our well-established track record of growth and financial performance," said Colin MacIntyre, Pharmachem chief executive officer. "We have the opportunity to create something unique in our industry by combining Pharmachem's custom manufacturing capabilities with Ashland's formulation knowledge and excipients expertise. Together we can drive the next phase of Pharmachem's growth while contributing to Ashland's vision of creating the world's premier specialty chemicals company."

The all-cash purchase price of \$660 million represents a transaction multiple of ~10.5x Pharmachem's estimated fiscal 2017 adjusted EBITDA, or ~7.5x after adjusting for expected cost synergies and tax optimization. Ashland anticipates achieving meaningful cost synergies from leveraging combined capabilities, as well as tax synergies driven by the integration of Pharmachem into Ashland's global business structure.

Slide presentation materials discussing the transaction will be posted to the Investor Relations section of Ashland's website at <http://investor.ashland.com>.

BofA Merrill Lynch is acting as financial advisor to Ashland on the transaction and Cravath, Swaine & Moore LLP is acting as legal advisor.

Moelis & Company LLC is acting as financial advisor to Pharmachem on the transaction and Arnold & Porter Kaye Scholer LLP is acting as legal advisor.

About Ashland

Ashland Global Holdings Inc. (NYSE: ASH) is a premier global specialty chemicals company serving customers in a wide range of consumer and industrial markets, including adhesives, architectural coatings, automotive, construction, energy, food and beverage, personal care and pharmaceutical. At Ashland, we are 6,000 passionate, tenacious solvers – from renowned scientists and research chemists to talented engineers and plant operators – who thrive on developing practical, innovative and elegant solutions to complex problems for customers in more than 100 countries. Ashland also maintains a controlling interest in Valvoline Inc. (NYSE: VVV), a premium consumer-branded lubricant supplier. Visit ashland.com to learn more.

Forward-Looking Statements

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™ Trademark, Ashland or its subsidiaries, registered in various countries.

FOR FURTHER INFORMATION:

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