
**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): March 24, 2020

VALVOLINE INC.

(Exact name of registrant as specified in its charter)

Kentucky
(State or other jurisdiction
of incorporation)

001-37884
(Commission
File Number)

30-0939371
(I.R.S. Employer
Identification No.)

100 Valvoline Way
Lexington, KY 40509
(Address of Principal Executive Offices)

(859) 357-7777
(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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01 per share	VVV	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01.**Other Events.**

On March 24, 2020, Valvoline Inc. (“Valvoline” or the “Company”) issued a press release providing an update on the impact of the COVID-19 virus on Company operations and withdrawing its financial guidance for the fiscal year ending September 30, 2020. The full text of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

In addition, Valvoline is also filing this Current Report on Form 8-K for the purpose of supplementing the risk factors disclosed in Item 1A of the Company’s Annual Report on Form 10-K for the fiscal year ended September 30, 2019. The Company’s risk factors are hereby updated as follows:

Pandemics, epidemics or disease outbreaks, such as the novel coronavirus (COVID-19 virus), may disrupt Valvoline’s business and operations, which could materially affect Valvoline’s financial condition, results of operations and forward-looking expectations.

Pandemics, epidemics or disease outbreaks in the United States or globally, may disrupt Valvoline’s business, which could materially affect its results of operations, financial condition and forward-looking expectations. In December 2019, a novel strain of coronavirus (COVID-19 virus) was identified in Wuhan, China and since that time it has continued to spread globally, including the United States, leading the World Health Organization to declare the COVID-19 virus outbreak a global pandemic in March 2020. Valvoline continues to monitor its operations, the operations of its customers, suppliers, franchisees and various government recommendations and has temporarily closed its corporate headquarters in Lexington, Kentucky while implementing work-from-home protocols, and although it has not yet done so, Valvoline may voluntarily elect or be required to temporarily close or reduce operations at its Quick Lubes service center stores, manufacturing plants or remove its employees and personnel from the field for their protection. In addition, in February 2020, Valvoline temporarily halted construction on its lubricants plant in China and implemented work-from-home protocols for employees in its China office due to the impact of the COVID-19 virus. Construction on the lubricants plant resumed and work-from-home protocols in China largely ended in early March 2020. The spread of the COVID-19 virus may materially adversely affect Valvoline’s ability to implement its growth plans, including, without limitation, delay construction or acquisition of new Quick Lubes service center stores; negatively impact Valvoline’s ability to successfully execute plans to enter into new markets; reduce demand for Valvoline’s products; cause Valvoline to experience inefficiencies in the supply chain, including but not limited to, the delivery of products and services to Valvoline’s customers, receipt of raw materials from suppliers or increased costs of raw materials; or negatively impact Valvoline’s ability to maintain operations. In addition, the COVID-19 virus has and may continue to impact customer traffic at Valvoline’s Quick Lubes service center stores. Also, the impact of the COVID-19 virus on Valvoline’s largest franchisees, including the failure of one or more franchisees, creates additional risk due to Valvoline’s dependence on their growth, financial and operating performance. These factors and any additional developments as a result of the COVID-19 virus, or other pandemics, epidemics or disease outbreaks may materially adversely affect Valvoline’s business or results of operations, and may impact Valvoline’s liquidity or financial condition, and forward-looking expectations, particularly if they are in place for an extended period of time.

The extent to which the spread of the COVID-19 virus impacts Valvoline’s business will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the spread of the COVID-19 virus and the actions to contain the virus or treat its impact, among others. These events, if they continue to grow in scope, intensify in severity or are sustained for several months, could result in a period of business and manufacturing disruption, inventory shortage, and reduced sales and profitability. A significant outbreak of the COVID-19 virus and other infectious diseases could result in a widespread health crisis that may adversely affect the economies and financial markets worldwide, resulting in an economic downturn. Any of these factors could unfavorably impact Valvoline’s business, financial condition, results of operations and forward-looking expectations.

Item 9.01. **Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit No. **Description of Exhibit**

99.1 [Press Release providing an update on COVID-19, dated March 24, 2020.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

VALVOLINE INC.

Date: March 24, 2020

By: /s/ Julie M. O'Daniel

Julie M. O'Daniel

Senior Vice President, Chief Legal Officer & Corporate Secretary



NEWS RELEASE

Valvoline Provides Update on COVID-19

LEXINGTON, Ky., March 24, 2020 — Valvoline Inc. (NYSE: VVV), a leading worldwide supplier of premium branded lubricants and automotive services, today provided an update on the impacts of and its responses to the novel coronavirus (COVID-19) pandemic.

“In this time of unprecedented uncertainty related to the impact of the COVID-19 virus, our top priority remains the health and safety of our employees, customers and business partners,” said Sam Mitchell, CEO.

Valvoline’s company-owned and franchised Quick Lubes stores in North America are currently open and fully operational. The Company is committed to keeping as many of its stores open as possible for the communities they serve. Valvoline is also providing various types of financial assistance to support the long-term health of its Quick Lubes franchisee network through this period of uncertainty.

Quick Lubes’ store team members already have minimal contact with customers through the Company’s existing drive-through, stay-in-your-car service experience. Valvoline has also taken additional actions to modify in-store procedures to further reduce direct contact between store teams and customers. The Company is monitoring the situation closely and is prepared to make additional changes as necessary.

Valvoline globally is taking broader actions designed to help further prevent the spread of the COVID-19 virus, including limiting domestic and international travel and implementing work-from-home arrangements, among others. On a positive note, in China, after a temporary suspension, construction on the lubricants plant has resumed, work-from-home protocols substantially ended earlier this month and sales trends are improving.

The Company is taking prudent and precautionary steps to enhance financial flexibility and liquidity and further strengthen its balance sheet including:

- Drawing on its available credit facilities, including \$450 million from its revolving credit facility and \$75 million from its trade receivables securitization facility
- Limiting or deferring certain non-essential operating expenses
- Delaying certain capital expenditures

Valvoline ended the first quarter of fiscal 2020 with \$162 million of cash and cash equivalents on its balance sheet. Following the draws on the credit facilities and inclusive of activity since the first quarter, the Company expects to have more than \$750 million of cash and cash equivalents on hand and no meaningful debt maturities until 2024. With its strong balance sheet and liquidity position, management believes the Company is well-positioned to manage through a variety of down-side scenarios, including the temporary closure of many or all of its Quick Lubes stores and substantially lower volumes in its other segments.

Due to the uncertainty in the current environment, Valvoline is withdrawing its previous fiscal 2020 guidance, which did not contemplate the impacts of the COVID-19 virus. The Company will provide a business update as part of its fiscal second quarter earnings announcement.

"I want to thank the entire Valvoline team for their dedication and unwavering service to our customers and communities in this rapidly evolving environment," Mitchell added.

About Valvoline™

Valvoline Inc. (NYSE: VVV) is a leading worldwide marketer and supplier of premium branded lubricants and automotive services, with sales in more than 140 countries. Established in 1866, the company's heritage spans more than 150 years, during which time it has developed powerful brand recognition across multiple product and service channels. Valvoline ranks as the No. 3 passenger car motor oil brand in the DIY market by volume. It operates and franchises approximately 1,400 quick-lube locations, and it is the No. 2 chain by number of stores in the United States under the Valvoline Instant Oil ChangeSM brand and the No. 3 chain by number of stores in Canada under the Valvoline Great Canadian Oil Change brand. It also markets Valvoline lubricants and automotive chemicals, including the Valvoline High Mileage with MaxLife technology motor oil for engines over 75,000 miles; Valvoline Advanced Full Synthetic motor oil; Valvoline Premium Blue™ heavy-duty motor oil; Valvoline Multi-Vehicle Automatic Transmission Fluid; and Zerex™ antifreeze. To learn more, visit www.valvoline.com.

Forward-Looking Statements

Certain statements in this news release, other than statements of historical fact, including estimates, projections, statements related to Valvoline's business plans and operating results are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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. These forward-looking statements are based on Valvoline's current expectations, estimates, projections and assumptions as of the date such statements are made and are subject to risks and uncertainties that may cause results to differ materially from those expressed or implied in the forward-looking statements. Additional information regarding these risks and uncertainties are described in the company's filings with the Securities and Exchange Commission (the "SEC"), including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Valvoline's most recently filed periodic reports on Forms 10-K and Forms 10-Q, which are available on Valvoline's website at <http://investors.valvoline.com/sec-filings> or on the SEC's website at <http://sec.gov>. Valvoline assumes no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

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FOR FURTHER INFORMATION

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