

January 15, 2025



## DuPont Provides Update on Separation Plans, Reaffirms Financial Guidance

- Accelerates the tax-free spin-off of its Electronics business, now targeting November 1, 2025
- DuPont to retain the Water business within its portfolio
- Reaffirms fourth quarter and full year 2024 net sales, operating EBITDA and adjusted EPS financial guidance ahead of its February 11<sup>th</sup> earnings call

WILMINGTON, Del., Jan. 15, 2025 /PRNewswire/ -- DuPont (NYSE:DD) today announced the acceleration of the separation of its Electronics business and is now targeting November 1, 2025 to complete the transaction. This decision recognizes the size and importance of Electronics to the overall shareholder value creation opportunity and DuPont's desire to complete the separation as quickly as possible.



Additionally, DuPont no longer intends to separate its Water business. The company evaluated all strategic alternatives and concluded the best path to generate value is for the Water business to remain in the DuPont portfolio. This also enhances DuPont's ability to continue optimizing its portfolio following the Electronics separation.

"We remain confident in the opportunity to create significant shareholder value through the separation of the Electronics business," said Ed Breen, DuPont Executive Chairman. "Achieving an independent Electronics company as soon as possible is the right decision for our shareholders."

"We remain excited about the value creation opportunity for DuPont following the Electronics separation," added Lori Koch, DuPont Chief Executive Officer. "The decision for Water to remain with DuPont provides the new organization with greater strategic flexibility over time and another high growth business alongside Healthcare. We continue to have conviction in the attractive outlook for Water and expect 2025 to be a strong year for the business."

### Reaffirms Fourth Quarter and Full Year 2024 Financial Outlook

DuPont reaffirms its fourth quarter and full year 2024 financial guidance for net sales, operating EBITDA and adjusted EPS as provided on November 5, 2024 as part of its third quarter earnings release, including the expected continued improved performance in Water.

## **About DuPont**

DuPont (NYSE: DD) is a global innovation leader with technology-based materials and solutions that help transform industries and everyday life. Our employees apply diverse science and expertise to help customers advance their best ideas and deliver essential innovations in key markets including electronics, transportation, construction, water, healthcare and worker safety. More information about the company, its businesses and solutions can be found at [www.dupont.com](http://www.dupont.com). Investors can access information included on the Investor Relations section of the website at [investors.dupont.com](http://investors.dupont.com).

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## **Overview**

On May 22, 2024, DuPont announced a plan to separate each of its Electronics and Water businesses in a tax-free manner to its shareholders. On January 15, 2025, DuPont announced it is targeting November 1, 2025, for the completion of the intended separation of the Electronics business (the "Intended Electronics Separation"). DuPont also announced that it would retain the Water business.

The Intended Electronics Separation will not require a shareholder vote and is subject to satisfaction of customary conditions, including final approval by DuPont's Board of Directors, receipt of tax opinion from counsel, the filing and effectiveness of a Form 10 registration statement with the U.S. Securities and Exchange Commission, applicable regulatory approvals and satisfactory completion of financing.

## **Cautionary Statement Regarding Forward Looking Statements**

This communication contains "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "target," "outlook," "stabilization," "confident," "preliminary," "initial," and similar expressions and variations or negatives of these words. All statements, other than statements of historical fact, are forward-looking statements, including statements regarding outlook, expectations and guidance. Forward-looking statements address matters that are, to varying degrees, uncertain and subject to risks, uncertainties, and assumptions, many of which that are beyond DuPont's control, that could cause actual results to differ materially from those expressed in any forward-looking statements.

Forward-looking statements are not guarantees of future results. Some of the important factors that could cause DuPont's actual results to differ materially from those projected in any such forward-looking statements include, but are not limited to: (i) the ability of DuPont to effect the Intended Electronics Separation and to meet the conditions related thereto; (ii) the possibility that the Intended Electronics Separation will not be completed within the anticipated time period or at all; (iii) the possibility that the Intended Electronics Separation will not achieve its intended benefits; (iv) the impact of Intended Electronics Separation on DuPont's businesses and the risk that the separation may be more difficult, time-consuming or costly than expected, including the impact on DuPont's resources, systems, procedures and controls, diversion of management's attention and the impact and possible disruption of existing relationships with customers, suppliers, employees and other business counterparties; (v) the possibility of disruption, including disputes, litigation or unanticipated

costs, in connection with the Intended Electronics Separation; (vi) the uncertainty of the expected financial performance of DuPont or the separated company following completion of the Intended Electronics Separation; (vii) negative effects of the announcement or pendency of the Intended Electronics Separation on the market price of DuPont's securities and/or on the financial performance of DuPont; (viii) the ability to achieve anticipated capital structures in connection with Intended Electronics Separation, including the future availability of credit and factors that may affect such availability; (ix) the ability to achieve anticipated credit ratings in connection with the Intended Electronics Separation; (x) the ability to achieve anticipated tax treatments in connection with the Intended Electronics Separation and completed and future, if any, divestitures, mergers, acquisitions and other portfolio changes and the impact of changes in relevant tax and other laws; (xi) risks and uncertainties related to the settlement agreement concerning PFAS liabilities reached June 2023 with plaintiff water utilities by Chemours, Corteva, EIDP and DuPont; (xii) risks and costs related to each of the parties respective performance under and the impact of the arrangement to share future eligible PFAS costs by and among DuPont, Corteva and Chemours, including the outcome of any pending or future litigation related to PFAS or PFOA, including personal injury claims and natural resource damages claims; the extent and cost of ongoing remediation obligations and potential future remediation obligations; and changes in laws and regulations applicable to PFAS chemicals; (xiii) indemnification of certain legacy liabilities; (xiv) the failure to realize expected benefits and effectively manage and achieve anticipated synergies and operational efficiencies in connection with the Intended Electronics Separation and completed and future, if any, divestitures, mergers, acquisitions, and other portfolio management, productivity and infrastructure actions; (xv) the risks and uncertainties, including increased costs and the ability to obtain raw materials and meet customer needs from, among other events, pandemics and responsive actions; (xvi) timing and recovery from demand declines in consumer-facing markets, including in China; (xvii) adverse changes in worldwide economic, political, regulatory, international trade, geopolitical, capital markets and other external conditions; and other factors beyond DuPont's control, including inflation, recession, military conflicts, natural and other disasters or weather-related events, that impact the operations of DuPont, its customers and/or its suppliers; (xviii) the ability to offset increases in cost of inputs, including raw materials, energy and logistics; (xix) the risks associated with demand and market conditions in the semiconductor industry and associated end markets, including from continuing or expanding trade disputes or restrictions, including on exports to China of U.S.-regulated products and technology; (xx) the risks, including ability to achieve, and costs associated with DuPont's sustainability strategy, including the actual conduct of DuPont's activities and results thereof, and the development, implementation, achievement or continuation of any goal, program, policy or initiative discussed or expected; (xxi) other risks to DuPont's business and operations, including the risk of impairment; (xxii) the possibility that DuPont may fail to realize the anticipated benefits of the \$1 billion share repurchase program announced on February 6, 2024 and that the program may be suspended, discontinued or not completed prior to its termination on June 30, 2025; (xxiii) the risks associated with the termination of the previously announced plan to separate DuPont's Water business; and (xxiv) other risk factors discussed in DuPont's most recent annual report and subsequent current and periodic reports filed with the U.S. Securities and Exchange Commission. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business or supply chain disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on DuPont's consolidated financial condition, results of operations, credit rating or liquidity. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. DuPont

assumes no obligation to publicly provide revisions or updates to any forward-looking statements whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

***Non-GAAP Financial Measures***

Operating EBITDA and adjusted EPS are considered non-GAAP financial measures. DuPont's management believes these non-GAAP financial measures are useful to investors because they provide additional information related to the ongoing performance of DuPont to offer a more meaningful comparison related to future results of operations. For more information on how DuPont defines and uses these measures, please see "*Non-GAAP Financial Measures*" in the Investor Overview presentation available in the Investors section of [www.dupont.com](http://www.dupont.com).

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