



## **Ashland Inc. to Sell PE Business to Perstorp**

COVINGTON, Ky., Jan. 5, 2011 /PRNewswire/ -- Ashland Inc. (NYSE: ASH) today announced that its subsidiary, Hercules Incorporated, has signed a definitive agreement to sell its pentaerythritol (PE) business to Perstorp Polyols Inc., a subsidiary of Perstorp Holding AB. The purchase price was not disclosed.

(Logo: <http://photos.prnewswire.com/prnh/20040113/ASHLANDLOGO> )

The proposed asset purchase transaction includes transfer of the pentaerythritol business, related technology and a minor amount of equipment. It does not include the manufacturing plant in Louisiana, Mo., any real estate or employees. This transaction is consistent with Ashland's strategy to focus assets and energies in core specialty chemicals product areas.

PE is a versatile building block for the manufacture of alkyd resins, varnishes, PVC stabilizers, olefin antioxidants and other products.

The transaction is expected to close within 60 days, subject to fulfillment of certain conditions. The parties will work together to ensure a seamless transition with no disruption in customer service or supply.

Following transaction close, Ashland will continue to manufacture PE for Perstorp under a transitional supply arrangement until customer and other transitions are complete. Upon termination of the transition agreement, parts of the plant site and the associated coal-fired powerhouse will be shut down.

Ashland will continue to produce synthetic lubricants at the site. Through a supply agreement, Ashland will begin purchasing PE from Perstorp as a raw material for its continuing synthetic lubricants production.

### **About Ashland Inc.**

In more than 100 countries, the people of Ashland Inc. (NYSE: ASH) provide the specialty chemicals, technologies and insights to help customers create new and improved products for today and sustainable solutions for tomorrow. Our chemistry is used every day in applications from automotive, food and beverages, personal care products, pharmaceuticals, and paper and tissue to durable goods and infrastructure, including building and construction, energy and water treatment. Visit [www.ashland.com](http://www.ashland.com) to see the innovations we offer through our five commercial units — Ashland Aqualon Functional Ingredients, Ashland Hercules Water Technologies, Ashland Performance Materials, Ashland Consumer Markets (Valvoline) and Ashland Distribution.

### **About Perstorp Holding AB**

Perstorp Holding AB, with registered office in Perstorp and Corp.Reg. No 556667-4205, is the parent company of the Perstorp Group. Perstorp is a global specialty chemicals company serving customers in the coating, plastic-processing and automotive industries. Perstorp has approx. 2,200 employees and manufacturing units in twelve countries in Asia, Europe, North and South America. Sales totaled 12.5 billion SEK. Perstorp Holding AB is controlled by PAI Partners. PAI Partners is one of Europe's leading private equity companies.

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