



## Ashland Inc. to sell wood rosin and terpenes business to TorQuest Partners

COVINGTON, KY, Dec. 15, 2009 (Canada NewsWire via COMTEX News Network) -- Ashland Inc. (NYSE: ASH) today announced that its subsidiary, Hercules Incorporated, has signed a definitive agreement to sell its refined wood rosin and natural wood terpenes business (Hercules Specialty Resins), formerly known as Pinova, to a new company formed by TorQuest Partners, a leading Canadian private equity fund manager, in a transaction valued at approximately \$75 million before tax. The proposed asset purchase transaction, for \$60 million in cash and a \$15 million note from the buyer, includes transfer of the business and the approximately 200 employees supporting it, along with an associated manufacturing facility in Brunswick, GA.

As the world's only supplier of wood rosin, the business generated revenues of approximately \$85 million in fiscal year 2009. Its products are used in a variety of applications in the adhesives, construction, beverage, personal care and agriculture markets. Once the transaction closes, the independent company will operate under the name Pinova.

"This divestiture continues our ongoing process to focus our assets and energies in our core specialty chemicals product areas by reducing our investment in lines of business that are non-core or non-strategic to us," said James J. O'Brien, Ashland chairman and chief executive officer.

"Pinova is a strong and profitable business with significant growth potential," said Matthew Chapman of TorQuest Partners. "We look forward to working with the business' management and employees to continue their outstanding history of product innovation and customer service, and we believe that these operations have a very bright future in Brunswick."

Chapman added, "TorQuest intends to use a minimal amount of debt to finance the transaction, which will allow it to reinvest profits from existing operations to support the long-term growth of the business."

The transaction is expected to close within 60 days, subject to customary closing conditions. Hercules and TorQuest Partners will work together to ensure a seamless transition with no disruption in customer service or supply.

About Ashland Inc.

Ashland Inc. (NYSE: ASH) provides specialty chemical products, services and solutions for many of the world's most essential industries. Serving customers in more than 100 countries, it operates through five commercial units: Ashland Aqualon Functional Ingredients, Ashland Hercules Water Technologies, Ashland Performance Materials, Ashland Consumer Markets (Valvoline) and Ashland Distribution. To learn more about Ashland, visit [www.ashland.com](http://www.ashland.com).

About TorQuest Partners

Founded in 2002, TorQuest Partners is a Canadian-based manager of private equity funds. With more than C\$700 million of equity capital under management TorQuest seeks to pursue investments in middle market companies with the goal of building value. For more information about TorQuest's experience in the chemicals sector and in acquiring divisional businesses and building them into strong and independent companies, please see the backgrounder accompanying this release, a copy of which is available online at [www.torquest.com/news](http://www.torquest.com/news).

To learn more about TorQuest Partners, visit [www.torquest.com](http://www.torquest.com).

SOURCE: TORQUEST PARTNERS INC.

SOURCE: Ashland Inc.

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