



July 2, 2015

## **Ashland to acquire AkzoNobel's Zeta Fraction\* biofunctional technology**

*Purchase strengthens Ashland's position in high-growth markets and furthers the company's expansion in sustainable, natural-based specialty ingredients*

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WILMINGTON, Delaware - Ashland Specialty Ingredients, a commercial unit of Ashland Inc. (NYSE: ASH) and a world leader in the production of biofunctional ingredients, today announced it has signed a definitive agreement to purchase the Zeta Fraction technology from AkzoNobel. The acquisition broadens Ashland's value-added portfolio in the personal care, pharmaceutical, food and beverage, and agriculture markets. The transaction is expected to be completed during the current fiscal quarter. Financial terms were not disclosed.

The patented Zeta Fraction process and technology selectively isolates efficacious components from living plants and marine sources to produce a wide range of biofunctional ingredients. Targeted cellular fractions are gently separated based on unique patented technology, preserving the inherent value of the plant cell juice. Conventional plant extraction technology isolates botanical extracts from dried plants and uses external solvents that limit shelf life stability and reproducibility, among other limitations.

"As global consumers increasingly ask for more sophisticated personal-care products, Ashland is bringing enterprise solutions to finished product manufacturers for implementation across their product platforms," said James Mish, group vice president, Consumer Specialties, Ashland Specialty Ingredients. "This unique, naturally based technology is a catalyst to expand Ashland's comprehensive expertise in biofunctionals gained from our Vincience(TM) technology and our core competency in bioavailability."

Creating enterprise-level solutions in key areas of consumer care requires leadership in ingredient technology, applications development, formulations and consumer science. Ashland has integrated all of these capabilities in-house and has organized them in a way that enables the company to bring forward solutions for large-scale adoption and implementation.

"A major challenge in many consumer markets is bioavailability," Mish continued. "Making actives or substances more available in a formulated product is essential to a superior consumer experience. Ashland's objective is to work with innovative manufacturers of consumer care products at the early stages of product development, and to deliver bioavailability solutions that lead to better market opportunities for customers. This also applies to the pharmaceutical, nutrition, and agricultural market segments."

During the in-cosmetics show held earlier this year in Barcelona, Spain, the company provided insight about the future of products based on enhanced ingredient delivery in skin, scalp, hair and oral-care applications. At that time, Ashland's Vincience research center in Sophia Antipolis, France, introduced Elixiance(TM) biofunctional, a new ecological and sustainable ingredient for skin-care products to help reduce the effects of pollution on skin. The Zeta Fraction technology, when combined with Ashland's ongoing work and recent investments in biofunctionals, will better position the company for growth in the natural-based specialty ingredients market.

### **About Ashland Specialty Ingredients**

Ashland Specialty Ingredients is the leading global producer of cellulose ethers and a global leader in vinyl pyrrolidones. It offers industry-leading products, technologies and resources for solving formulation and product-performance challenges. Using natural, synthetic and semisynthetic polymers derived from plant and seed extract, cellulose ethers and vinyl pyrrolidones, as well as acrylic and polyurethane-based adhesives, Specialty Ingredients offers comprehensive and innovative solutions for today's demanding consumer and industrial applications. Key customers include: pharmaceutical companies; makers of personal care products, food and beverages; manufacturers of paint, coatings and construction materials; packaging and converting; and oilfield service companies. Visit [ashland.com](http://ashland.com) to learn more.

### **About Ashland Inc.**

Ashland Inc. (NYSE: ASH) is a global leader in providing specialty chemical solutions to customers in a wide range of consumer and industrial markets, including architectural coatings, automotive, construction, energy, food and beverage, personal care

and pharmaceutical. Through our three commercial units - Ashland Specialty Ingredients, Ashland Performance Materials and Valvoline - we use good chemistry to make great things happen for customers in more than 100 countries. Visit [ashland.com](http://ashland.com) to learn more.

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#### Forward-Looking Statements

This news release 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," "may," "will," "should" and "intends" and the negative of these words or other comparable terminology. In addition, Ashland may from time to time make forward-looking statements in its annual report, quarterly reports and other filings with the Securities and Exchange Commission (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 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 possibility that Ashland may not achieve the anticipated benefits from such transactions), the global restructuring program (including the possibility that Ashland may not realize the anticipated revenue and earnings growth, cost reductions and other expected benefits from the program), Ashland's ability to generate sufficient cash to finance its stock repurchase plans, 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 its 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 news release whether as a result of new information, future event or otherwise.

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