



May 18, 2011

Ashland Inc. board increases annual dividend 17 percent

COVINGTON, Ky. – The board of directors of Ashland Inc. (NYSE: ASH) today declared a quarterly cash dividend of 17.5 cents per share on the company's common stock, approximately 17 percent above the previous quarterly dividend rate and equivalent to an annual dividend of 70 cents per share. The dividend is payable on June 15, 2011, to shareholders of record at the close of business on June 2, 2011. As of April 30, 2011, there were 79,136,699 shares of Ashland common stock outstanding.

Commenting on the dividend increase, Ashland Chairman and Chief Executive Officer James J. O'Brien said, "Today the board of directors acted on its previously stated intention to increase the dividend, affirming its confidence in Ashland's ongoing ability to generate cash and deliver strong financial results. We last increased the dividend in May 2010, and this latest increase attests to the board's continuing desire to provide shareholders with a tangible return on their investment. We remain focused on returning value to shareholders through a mix of options."

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 at work every day in a wide variety of markets and applications, including architectural coatings, automotive, construction, energy, personal care, pharmaceutical, tissue and towel, and water treatment. Visit www.ashland.com to see the innovations we offer through our four commercial units – Ashland Aqualon Functional Ingredients, Ashland Hercules Water Technologies, Ashland Performance Materials and Ashland Consumer Markets (Valvoline).