

Ashland expands Plasdone[™] polyvinyl pyrrolidone production

WILMINGTON, Del.– Ashland Inc. (NYSE: ASH) is responding to strong demand for <u>Plasdone</u>^Tpolyvinyl pyrrolidone (PVP) by adding new low-viscosity, pharmaceutical-grade PVP capacity at its manufacturing facility in Calvert City, Ky., USA. The new capacity will further strengthen Ashland's position in the market and will enable the company to continue supporting the growing needs of its pharmaceutical customers. The additional capacity is currently being validated for pharmaceutical-grade PVP production and will be available for sale to Ashland's pharmaceutical customers in March 2012.

Plasdone PVP is a synthetic polymer used globally as a tablet binder in a wide variety of over-the-counter and prescription drug products. As a global leader, Ashland currently produces PVP at its manufacturing facilities in Calvert City, Ky. and Texas City, Texas, USA, enabling Ashland to respond to changing market requirements and increase the security of supply to its customers.

"Over the next few years, Ashland expects steady growth in PVP driven by an industry need for formulation ingredients that improve the quality of finished drug products," added Jeff Wolff, group vice president, Pharmaceutical and Nutritional Specialties, Ashland Specialty Ingredients. "We see particularly strong growth in emerging markets, generated by increased demand for generic drug products and consumer demographics. Combining our industry-leading position as a producer of PVP with our multiple technical support labs around the world, Ashland is well suited to meet this increasing market demand."

Ashland Specialty Ingredients offers industry-leading products, technologies and resources for solving formulation and product performance challenges in key markets including <u>personal care</u>, <u>pharmaceutical</u>, <u>food and beverage</u>, <u>coatings</u> and <u>energy</u>. Using natural, synthetic and semi-synthetic polymers derived from plant and seed extract, cellulose ethers and vinyl pyrrolidones, Ashland Specialty Ingredients offers comprehensive and innovative solutions for today's demanding consumer and industrial applications.

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, food and beverage, 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 Specialty Ingredients, Ashland Water Technologies, Ashland Performance Materials and Ashland Consumer Markets.

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