

**Corporate Profile**

Ashland Inc. (NYSE: ASH) is a global leader in specialty chemical solutions for consumer and industrial markets. Our innovative products and services add value to things that people use or come into contact with every day. With sales in more than 100 countries, Ashland operates through four commercial units:

**Ashland Specialty Ingredients** offers industry-leading products, technologies and resources for solving formulation and product performance challenges in key markets including personal care, pharmaceutical, food and beverage, coatings and energy. 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.

**Ashland Water Technologies** is a leading global producer of papermaking chemicals and a leading specialty chemical supplier to the pulp, mining, food and beverage, paper, chemical processing, general manufacturing, institutional and municipal markets. Its process, utility and functional chemistries are used to improve operational efficiencies, enhance product quality, protect plant assets and help ensure environmental compliance.

**Ashland Performance Materials** is a global leader in composite resins, gelcoats, adhesives, specialty coatings and elastomers. Performance Materials' epoxy vinyl ester resins; unsaturated polyester resins; water-based and energy-curable coatings; pressure-sensitive, laminating, structural and industrial adhesives; and elastomers are used in the construction, transportation, infrastructure, boatbuilding, and packaging and converting markets.

**Ashland Consumer Markets** is a leading, worldwide producer and distributor of premium-branded automotive, commercial and industrial lubricants and car-care products. It operates and franchises more than 860 Valvoline Instant Oil Change™ centers in the U.S. It markets Valvoline™ lubricants and automotive chemicals; MaxLife™ lubricants for cars with higher mileage engines; NextGen™ motor oil, made with 50-percent recycled, re-refined oil; SynPower™ synthetic motor oil; Eagle One™ and Car Brite™ automotive appearance products; and Zerex™ antifreeze.

Closing Stock Price Dec. 30, 2011	\$57.16
Common Shares Outstanding (millions)	78.3
Market Capitalization (millions)	\$4,476
Institutional Ownership (approximately)	82%
Officers, Directors and Benefit Plan Ownership (approximately)	8%
Dividend Yield	1.2%



**Key Contacts  
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**Quarterly Financials\***

	2010	2011	2012
<b>Operating Income</b> (\$ millions)			
1st Quarter December	137	114	144
2nd Quarter March	142	256	
3rd Quarter June	150	129	
4th Quarter September	(180)	(370)	
	<b>249</b>	<b>130</b>	<b>144</b>
<b>Diluted Earnings Per Share from Continuing Operations</b> (\$)			
1st Quarter December	0.91	0.91	0.76
2nd Quarter March	0.15	2.26	
3rd Quarter June	1.55	0.94	
4th Quarter September	(1.53)	(3.50)	
	<b>1.11</b>	<b>0.70</b>	<b>0.76</b>

\* Quarterly totals may not add to annual amounts due to changes in shares outstanding and rounding.

**Operating Information**

	2010	2011	Q1 2012
<b>Ashland Specialty Ingredients</b> <sup>(a)</sup>			
Sales per shipping day (\$ millions)	3.6	4.3	10.3
Metric tons sold (thousands)	163.6	174.6	98.2
Gross profit as a % of sales	33.7	32.9	29.6
<b>Ashland Water Technologies</b>			
Sales per shipping day (\$ millions)	7.1	7.5	7.4
Gross profit as a % of sales	34.1	30.8	30.8
<b>Ashland Performance Materials</b> <sup>(a)</sup>			
Sales per shipping day (\$ millions)	5.1	5.2	6.2
Metric tons sold (thousands)	519.4	493.8	137.4
Gross profit as a % of sales	16.0	13.1	19.2
<b>Ashland Consumer Markets</b>			
Lubricant sales (million gallons)	174.3	171.3	36.7
Premium lubricants (% of U.S. branded volumes)	29.6	31.3	29.3
Gross profit as a % of sales	32.0	27.3	25.3

<sup>(a)</sup> Statistical information presented for 2010 and 2011 excludes activity related to International Specialty Products Inc. (ISP), which was acquired on Aug. 23, 2011.

## Five-Year Financial Information Summary

Sales (\$ millions)	2007	2008	2009	2010	2011	Q1 2012
Specialty Ingredients <sup>(b) (c)</sup>			812	915	1,256	628
Water Technologies <sup>(b)</sup>	818	893	1,652	1,785	1,902	449
Performance Materials <sup>(c)</sup>	1,580	1,621	1,106	1,286	1,373	378
Consumer Markets	1,525	1,662	1,650	1,755	1,971	475
<b>Total</b>	<b>3,923</b>	<b>4,176</b>	<b>5,220</b>	<b>5,741</b>	<b>6,502</b>	<b>1,930</b>
<b>Operating Income (\$ millions)</b>						
Specialty Ingredients <sup>(b) (c)</sup>			44	125	171	71
Water Technologies <sup>(b)</sup>	21	8	95	130	93	21
Performance Materials <sup>(c)</sup>	97	49	10	32	37	33
Consumer Markets	91	82	259	270	213	47
Unallocated and Other	95	(70)	(499)	(308)	(384)	(28)
<b>Total</b>	<b>304</b>	<b>69</b>	<b>(91)</b>	<b>249</b>	<b>130</b>	<b>144</b>
<b>Depreciation and Amortization (\$ millions)</b>						
Specialty Ingredients <sup>(b) (c) (d)</sup>			106	99	113	64
Water Technologies <sup>(b) (d)</sup>	29	29	99	88	85	19
Performance Materials <sup>(c)</sup>	39	46	63	53	59	12
Consumer Markets	34	35	36	36	38	9
Unallocated and Other	9	11	11	4	4	-
<b>Total</b>	<b>111</b>	<b>121</b>	<b>315</b>	<b>280</b>	<b>299</b>	<b>104</b>
<b>Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) <sup>(e)</sup> (\$ millions)</b>						
Specialty Ingredients <sup>(b) (c) (f)</sup>	249	258	211	224	300	160
Water Technologies <sup>(b) (f)</sup>	203	192	215	218	194	40
Performance Materials <sup>(c)</sup>	134	101	85	96	99	45
Consumer Markets	125	117	295	306	251	56
Unallocated and Other	(26)	(20)	(52)	(36)	(24)	-
<b>Total</b>	<b>685</b>	<b>648</b>	<b>754</b>	<b>808</b>	<b>820</b>	<b>301</b>

- (b) Industry segment results from Nov. 14, 2008, forward include operations acquired from Hercules Incorporated.
- (c) Sales and operating income from the acquired operations of ISP are included from Aug. 23, 2011, forward.
- (d) Amounts for 2009 include amortization for purchased in-process research and development of \$5 million for Specialty Ingredients and \$5 million for Water Technologies.
- (e) Calculation of Adjusted EBITDA has been reconciled to U.S. GAAP in previous applicable filings with the SEC.
- (f) Fiscal years 2007 and 2008 include pro forma Hercules results of \$392 million and \$381 million, respectively, related to operating income earned and depreciation and amortization expense for the periods in which Ashland did not yet own this business.

## Total Return to Shareholders for Periods Ended 12/31/11

