



June 17, 2013

## Ashland Inc. and UPM to collaborate on research and development of UPM Biofibrils technology

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COVINGTON, Ky. and HELSINKI, Finland - Ashland Inc. (NYSE: ASH) and UPM today announced they have entered into a cooperative agreement to develop and commercialize products containing UPM's Biofibrils technology.

UPM Biofibrils are micro- and nanofibrillated cellulose products that can be used for shaping materials and giving them new characteristics. In this collaboration, UPM and Ashland will jointly study the use of biofibrils in a wide range of industrial application opportunities. For example, biofibrils might be used to improve the quality and performance of a broad array of polymer products that include coatings and construction materials, home and car care products, and energy drilling applications.

The collaboration marks a milestone for two companies with extensive expertise in cellulose technology. UPM has pursued research and development of biofibrils technology for several years and has a large portfolio of patent applications and production experience. Ashland has its own research and patents in microfibrillar cellulose technology.

"Our collaborative relationship with UPM provides an excellent opportunity to combine the UPM Biofibrils technology with Ashland's application expertise in order to bring new products and functionalities to our customers," said May Shana'a, vice president, Technology and Growth Strategy, Ashland Specialty Ingredients. "When we combine our strengths and know-how with experts offering new technologies that complement our product lines, we can deliver value-added performance to our customers."

"Innovation is a key component of Ashland's growth strategy, regardless of whether those ideas originate from within the ranks of Specialty Ingredients' 500-person global research team or from selected industry partners," added Walter Solomon, Ashland vice president and chief growth officer. "The most important thing is to take those ideas and develop them into commercially viable products that can help build our customers' businesses."

UPM Biofibrils technology is a result of a long-term research and development commitment. Cornerstones of UPM's Biofore strategy are the versatile use of renewable wood biomass combined with innovation and sustainability.

"UPM Biofibrils is a novel biomaterial that allows development of new fibre-based products with exciting properties for the UPM product portfolio. The collaboration with Ashland's global development team enables further development and commercialization of UPM Biofibrils in several industrial applications," said Esa Laurinsilta, director, UPM Biofibrils.

### About UPM

UPM leads the integration of bio and forest industries into a new, sustainable and innovation-driven future. Our products are made of renewable raw materials and are recyclable. UPM consists of three Business Groups: Energy and pulp, Paper, and Engineered materials. The Group employs around 22,000 people. UPM is present in 67 countries and has production units in 17 countries. UPM's annual sales exceed EUR 10 billion. UPM's shares are listed on the Helsinki stock exchange.

UPM - The Biofore Company - [www.upm.com](http://www.upm.com)

### About Ashland

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 [ashland.com](http://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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Source: Ashland Inc. via Thomson Reuters ONE

HUG#1709779

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