

July 16, 2013

## Derakane<sup>™</sup> helps fuel Russian camping BBQs

## Ashland's strategic partnership with Rugasco fosters growth in the Russian market

DUBLIN, Ohio. - Ashland products may help (literally) ignite your next camping trip by improving the fuel containers for your portable grilling stove. Ashland Performance Material (APM), a commercial unit of Ashland Inc. (NYSE: ASH), produces Derakane epoxy vinyl ester resin - a key ingredient in the production of liquefied petroleum gas (LPG) cylinders that are a component in composite camping portable gas containers being produced by Rugasco, a joint venture between Autocomponent Russia and Holding Hexagon.

LPG cylinders are pressure tanks in which liquefied petroleum gas can be stored under 30 bar. "LPG cylinders made from composites have one crucial advantage - they don't explode," said Arie van Buren, technical manager, APM, supporting the Rugasco project. "In case of a fire, they release the gas in a more controlled way, as the resin that the container is made of is gradually burned off." This makes composite LPG cylinders a safer alternative to metal containers, which can explode when the gas container is subjected to extreme heat or fire. Derakane resins also provide superior durability to the product, providing crack resistance toughness to the composite and strength to withstand the pressurized environment associated with LPG cylinders.

Another advantage of the composite cylinders is that they are transparent, which means you can easily check their filling level. This makes the LPG cylinders much safer, and a popular option for many different applications - ranging from camping stoves to industrial applications, like forklift gas tanks.

Recently, Rugasco opened a new plant in Nizhny Novgorod, Russia to tap into the immense Russian market for LPG cylinders - with Ashland as an important strategic partner to supply Derakane resins as a vital part of the process. With a phase-one investment of 200 million rubels (6.3 million U.S. dollars, 4.74 million euros), the new Rugasco facility will produce 200,000 low-pressure cylinders per year - a sign of confidence in the growth potential of the product.

"The Russian market will see a huge increase in demand in LPG cylinders and, thus, our Derakane resin technology, as the Russian government is pushing forward a safety initiative to ban metal gas containers and replace them with the safer, composite version," said Diana Lozinskaya, sales manager, Russia, APM. "Ashland's Derakane resin technology plays a vital role in making this happen in cooperation with Rugasco."

"Ashland's products and their excellent technical support services are an important component in the continued success of our operations," said Olga Zinkova, manager of purchasing and logistics, Rugasco, expressing her long-standing cooperation with Ashland. "This project required superior knowledge of our application's needs and the ability to specify the right resins to meet those needs. Ashland's ability to provide both processing and formulation expertise helped us to optimize our production in creating a product that will revolutionize the LPG cylinder market."

"Russia and Eastern Europe are key growth markets for Ashland in the EMEA region," said Andrew Miller, sales director, Europe, the Middle East and Africa (EMEA) - Composites, APM. "We are continuously strengthening our base in this region to further support these lucrative markets."

FOR FURTHER INFORMATION: **Media relations**Jennifer Knoblach
+31 (0)10 497 5529
jknoblach@ashland.com