



## **Update: Ashland delivers notice of redemption of Hercules 8.0% Convertible Subordinated Debentures Due 2010**

COVINGTON, Ky., Nov 14, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Ashland Inc. (NYSE: ASH) has delivered a notice of redemption of the 8.0% Convertible Subordinated Debentures Due 2010, CUSIP 427056AK2 (the "Debentures"), issued by Hercules Incorporated (NYSE: HPC) ("Hercules"). Pursuant to an Agreement and Plan of Merger, dated as of July 10, 2008, among Ashland, Ashland Sub One, Inc. and Hercules (the "Merger Agreement"), Ashland acquired Hercules, effective Nov. 13, 2008 (the "Merger"). The Debentures mature by their terms on Aug. 15, 2010, and there is currently \$2.173 million in aggregate principal amount of outstanding Debentures.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20040113/ASHLANDLOGO> )

The redemption date for the Debentures is Dec. 3, 2008. The Debentures will be redeemed at a redemption price of 100% of the principal amount plus accrued interest to Dec. 3, 2008. The Debentures may be redeemed by delivery to the Trustee, The Bank of New York Mellon, beginning two weeks in advance of the Dec. 3, 2008 redemption date. On Nov. 13, 2008, Ashland, on behalf of Hercules, has deposited with the trustee as trust funds an amount sufficient to pay and discharge the entire indebtedness on all outstanding Debentures and interest to the redemption date. As of that time, the Debentures are no longer considered to be outstanding under the indenture.

Under the provisions of the indenture governing the Debentures, holders of the Debentures could have elected to convert their Debentures into shares of common stock of Hercules. The price at which shares of Hercules common stock would have been delivered upon conversion of the Debentures is \$14.90 per share. Under the provisions of the indenture, Debentures outstanding at the effective time of the Merger became convertible into the right to receive the merger consideration received by the holders of shares of Hercules common stock, based upon the number of shares of such common stock into which a Debenture might have been converted immediately prior to the Merger. Pursuant to the Merger Agreement, the merger consideration receivable for each share of Hercules common stock outstanding at the effective time of the Merger is (i) \$18.60 in cash, without interest, and (ii) 0.0930 of a share of common stock of Ashland. If a holder elects to exercise a conversion right, for each \$1,000 of principal amount converted, the holder will be entitled to receive \$1,248.32 in cash, without interest, and 6.2416 shares of Ashland common stock. The right to convert the Debentures will terminate on Nov. 28, 2008. On or prior to Nov. 28, 2008, the Debentures may be surrendered for conversion, duly endorsed or assigned to Hercules or in blank, at the Corporate Trust Office of the Trustee.

For redemption purposes, the Debentures may be delivered to the Trustee, The Bank of New York Mellon, Global Corporate Trust, by first-class mail to P.O. Box 2320, Dallas, TX 75221-2320, by registered/certified express delivery to 2001 Bryan Street, 9th Floor, Corporate Trust Window, Dallas, TX 75201, or by hand delivery to 101 Barclay Street, 1st Floor East, New York, NY 10286. For conversion purposes, the Debentures may be surrendered to the Trustee, The Bank of New York Mellon, 101 Barclay Street, 1st Floor East, New York, NY 10286. The Bank of New York Mellon contact is Francine Kincaid (212-815-5082).

The details concerning the terms and conditions of redemption are fully described in a Notice of Redemption mailed on Nov. 13, 2008 to record holders of Debentures. This press release is not a notice of redemption. The redemption is made solely pursuant to the Notice of Redemption.

### About Ashland

Ashland Inc. (NYSE: ASH) provides specialty chemical products, services and solutions for many of the world's most essential needs and industries. Serving customers in more than 100 countries, it operates through five commercial units: Ashland Hercules Water Technologies, Ashland Performance Materials, Ashland Aqualon Functional Ingredients, Ashland Consumer Markets (Valvoline) and Ashland Distribution. To learn more about Ashland, visit [www.ashland.com](http://www.ashland.com).

### Forward-Looking Statements

This news release contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The statements include those made with respect to Ashland's operating performance and Ashland's acquisition of Hercules Incorporated. These expectations are based upon a number of assumptions, including those mentioned within this news release. Performance estimates are also based upon internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, weather, operating efficiencies and economic conditions, such as prices, supply and demand, cost of raw materials, and legal

proceedings and claims (including environmental and asbestos matters). These risks and uncertainties may cause actual operating results to differ materially from those stated, projected or implied. Such risks and uncertainties with respect to Ashland's acquisition of Hercules include the possibility that the benefits anticipated from the Hercules transaction will not be fully realized; the substantial indebtedness Ashland has incurred to finance the acquisition may impair Ashland's financial condition; the restrictive covenants under the debt instruments may hinder the successful operation of Ashland's business; future cash flow may be insufficient to repay the debt; and other risks that are described in filings made by Ashland with the Securities and Exchange Commission (the "SEC"). Although Ashland believes its expectations are based on reasonable assumptions, it cannot assure the expectations reflected herein will be achieved. This forward-looking information may prove to be inaccurate and actual results may differ significantly from those anticipated if one or more of the underlying assumptions or expectations proves to be inaccurate or is unrealized or if other unexpected conditions or events occur. Other factors, uncertainties and risks affecting Ashland are contained in Ashland's periodic filings made with the SEC, including its Form 10-K for the fiscal year ended September 30, 2007, and Forms 10-Q for the quarters ended December 31, 2007, and March 31 and June 30, 2008, which are available on Ashland's Investor Relations website at [www.ashland.com/investors](http://www.ashland.com/investors) or the SEC's website at [www.sec.gov](http://www.sec.gov). Ashland undertakes no obligation to subsequently update or revise the forward-looking statements made in this news release to reflect events or circumstances after the date of this news release.

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