

September 15, 2013

Dear Valued Channel Partner,

Effective October 15, 2013, Ashland Specialty Ingredients, a commercial unit of Ashland Inc. (NYSE: ASH), will increase prices for the following products for pharmaceutical and nutraceutical applications by up to the amount listed below. The increase will be effective for all orders with a requested delivery date on or after October 15, 2013 or as contracts allow.

Product	Price Increase
Aqualon™ ethylcellulose	4%
Aqualon™ and Blanose™ carboxymethylcellulose	4%
Aquarius™ film coating systems	4%
Benecel™ methylcellulose and hypromellose	4%
Cavamax™, Cavasol™ and Cavitron™ cyclodextrins	6%
Ferronyl™ carbonyl iron powder	8%
Gantrez™ poly(methyl vinyl ether-co-maleic anhydride) copolymers and derivatives	10%
Klucel™ hydroxypropylcellulose	4%
Natrosol™ hydroxyethylcellulose	4%
Pharmasolve™ N-methyl pyrrolidone	10%
Plasdone™ copovidone and povidone	4%
Polyplasdone™ crospovidone	6%
PVP Iodine	2%
PVP Iodine Micronized	6%

Making the decision to raise prices is never easy. However, this increase is needed for the following reasons:

- The number and complexity of customer requests for more product property, performance and quality/regulatory data have increased significantly. Consequently, the level of support and resources needed to provide this information to customers around the world has also increased.
- In order to support our customers’ current and future business growth and technology needs, Ashland continues to invest in new capacity, customer and logistics services, and product innovation.
- Persistent upward inflationary pressures on key manufacturing inputs.

Ashland maintains an aggressive cost-containment program throughout the company to help mitigate these cost increases. We value your business and appreciate your understanding of the need for this increase so that we can service you better. Thank you for your continued business and support. We look forward to continuing to meet your product, quality, regulatory, technical and innovation needs.

Sincerely yours,



Timothy Bee and Amit Sharma  
 Global Business Management, Pharmaceutical Specialties, Ashland Specialty Ingredients