

Ineos buys Ashland's composites business for \$1.1 billion

Platts.com, 15th Nov 2018

Ineos Enterprises said Thursday it had agreed to buy Ashland Global Holdings' composites business for \$1.1 billion in a move expected to strengthen the former's position in the boat manufacturing industry.

The acquisition, which includes a butanediol facility in Germany producing key intermediates for high performance polyesters and polyurethanes, is expected to close in the first half of 2019, pending regulatory approval and consultation processes, it said.

The businesses included in the transaction have combined sales of more than \$1.1 billion/year. They employ 1,300 employees across 20 sites in Europe, North and South America, Asia and Middle East.

"Ashland's composite resins have been the materials of choice for the world's boat builders for 30 years, and for good reason," said Ashley Reed, Ineos Enterprises CEO.

Latest News

"We believe that they have great potential for growth under Ineos ownership and we are looking forward to working with a great team of people who are determined to meet the developing needs of our customers," he added.

Ashland's composites business covers unsaturated polyester resins, vinyl ester resins and gel coats, and provides corrosion-resistant fiberglass reinforced plastic (FRP).

Ashland CEO Bill Wulfsohn said the divestiture of its businesses was in line with its aim to streamline and have a more focused product portfolio, which will improve its margins and reduce its earnings volatility.

"Ashland will be better positioned to deliver sustained earnings growth and unlock significant value for shareholders," said Wulfsohn.