ASHLAND INC
Form PREM14A
June 21, 2004
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE

SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

x Preliminary Proxy Statement

¨ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

¨ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to Section 240.14a

Ashland Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

¨ No fee required.

x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies: Common Stock, par value $1.00 per share

(2) Aggregate number of securities to which transaction applies: 70,731,834

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
$50.99 (the price is based upon the average of the high and low sales price for Ashland Inc. Common Stock on June 14, 2004, as reported on the New York Stock Exchange Composite Transactions Tape)

(4) Proposed maximum aggregate value of transaction:
$3,606,616,216 (the product of (x) 70,731,834 (the number of outstanding shares of Ashland Inc. Common Stock outstanding on June 14, 2004) and (y) $50.99 (the per unit price set forth in note (3) above)

(5) Total fee paid:
$456,959 (the product of (x) 0.0001267 and (y) the underlying value of the transaction, $3,606,616,216 (as calculated in note (4) above) and rounded to the nearest whole dollar

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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PRELIMINARY DRAFT SUBJECT TO COMPLETION

Ashland Inc.
50 E. RiverCenter Boulevard, P.O. Box 391
Covington, KY 41012-0391

Marathon Oil Corporation
5555 San Felipe Road
Houston, TX 77056-2723

, 2004

To the shareholders of Ashland Inc.:

Ashland Inc. and Marathon Oil Corporation have entered into an agreement under which Ashland will transfer its interest in Marathon Ashland Petroleum LLC, or MAP , its maleic anhydride business and 61 Valvoline Instant Oil Change Centers in Michigan and northwest Ohio to a wholly owned subsidiary of Marathon. As a result of the transactions, Ashland shareholders will receive shares of Marathon common stock with a total value of $315 million and shares of common stock of a successor corporation to Ashland, which we refer to as New Ashland, in exchange for the shares of Ashland common stock they currently own. New Ashland will receive redemption proceeds from MAP of approximately $800 million in cash and MAP accounts receivable plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions, and Marathon will effectively assume approximately $1.9 billion of new debt to be incurred to provide for retirement of outstanding indebtedness of Ashland and payments in connection with other financial obligations. Therefore, Ashland will receive approximately $2.7 billion in total consideration plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions. The transactions and the transaction agreements will require the approval of Ashland s shareholders. Ashland has called a special meeting of shareholders on , 2004, at at , to vote on the transactions and the transaction agreements.

As part of the transactions, Ashland will merge with and into one of its subsidiaries. If Ashland shareholders approve the transactions and the transaction agreements and the transactions are subsequently completed, the existing businesses of Ashland other than those to be transferred to Marathon s subsidiary will be owned by New Ashland, the successor to Ashland through a series of mergers, and New Ashland will be a publicly traded company owned by Ashland shareholders. The management and board of directors of Ashland will continue as the management and board of directors of New Ashland. Ashland common stock is traded on the New York Stock Exchange and the Chicago Stock Exchange under the symbol ASH, and, following the closing of the transactions, Ashland expects that New Ashland common stock will be traded on the New York Stock Exchange and the Chicago Stock Exchange under the same symbol. As part of the transactions, the name of New Ashland will be changed to Ashland Inc.

If the transactions and the transaction agreements are approved and the transactions are subsequently completed, for each share of Ashland common stock you own, you will be entitled to receive one share of New Ashland common stock. In addition, you will be entitled to receive shares of Marathon common stock with a value of approximately $ per Ashland share based on the number of Ashland shares currently outstanding. The Marathon common stock to be received by Ashland shareholders will have a total value of $315 million.

The transactions have been structured to be generally tax-free to Ashland and its shareholders. Ashland and Marathon have submitted a request to the Internal Revenue Service for private letter rulings as to various tax consequences of the transactions, and closing of the transactions is conditioned upon receipt of favorable private letter rulings.

The Ashland board of directors has carefully reviewed and considered the terms and conditions of the transactions and has unanimously determined that the terms of the transactions are fair to and in the best interests of Ashland and its shareholders. **The Ashland board of directors has unanimously adopted and approved the transactions and the transaction agreements and unanimously recommends that you vote FOR the approval of the transactions and the transaction agreements.**

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This proxy statement/prospectus describes the transactions and the transaction agreements and provides specific information concerning the special meeting. **Ashland and Marathon urge you to read this proxy statement/prospectus, including the section entitled Risk Factors beginning on page 27, carefully.**

Your vote is important no matter how many shares you own. Ashland cannot complete the transactions unless the transactions and the transaction agreements are approved by the affirmative vote of a majority of the shares of Ashland common stock outstanding and entitled to vote at the special meeting. **Failure to vote will have the same effect as a vote against the approval of the transactions and the transaction agreements.** Only holders of record of Ashland common stock at the close of business on are entitled to vote at the special meeting.

Whether or not you plan to attend the special meeting, it is important that your shares be represented and voted. Therefore, after reading this proxy statement/prospectus, please complete, sign, date and return your proxy promptly. Voting instructions are inside this proxy statement/prospectus.

Thank you for your consideration of this proposal.

Sincerely,

James J. O Brien
Chairman of the Board and Chief Executive Officer
Ashland Inc.

Sincerely,

Clarence P. Cazalot, Jr.
President and Chief Executive Officer
Marathon Oil Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the transactions described herein or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated , 2004, and is being first mailed to Ashland shareholders on or about , 2004.

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REFERENCES TO ADDITIONAL INFORMATION

This document incorporates by reference important business and financial information about Ashland and Marathon from documents that are not included in or delivered with this proxy statement/prospectus. You can obtain documents incorporated by reference in this proxy statement/prospectus, except for exhibits to those documents not specifically incorporated by reference in this proxy statement/prospectus, by requesting them in writing or by telephone from the appropriate company at the following addresses:

ASHLAND INC. 50 E. RiverCenter Boulevard, P.O. Box 391 Covington, KY 41012-0391 Attention: Corporate Secretary (859) 815-3333	MARATHON OIL CORPORATION 5555 San Felipe Road Houston, TX 77056-2723 Attention: Corporate Secretary (713) 629-6600

You will not be charged for any of these documents that you request. **Ashland shareholders requesting documents should do so by , 2004 in order to receive them before the special meeting.**

See WHERE YOU CAN FIND MORE INFORMATION on page 160.

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HELPFUL INFORMATION

In this proxy statement/prospectus:

- Ashland means Ashland Inc.;
- Ashland common stock means the Ashland common stock together with the associated rights;
- ATB Holdings means ATB Holdings Inc.;
- Marathon means Marathon Oil Corporation;
- MAP means Marathon Ashland Petroleum LLC;
- New Ashland means New EXM Inc.;
- New Ashland common stock means the New Ashland common stock together with the associated rights;
- transactions means the transactions contemplated by the transaction agreements and the ancillary agreements as described in this proxy statement/prospectus; and
- transaction agreements means the master agreement, the tax matters agreement, the assignment and assumption agreement (maleic business), the assignment and assumption agreement (VIOC centers) and the amendment to the MAP LLC agreement as described in this proxy statement/prospectus.

References to Ashland, New Ashland and Marathon in this proxy statement/prospectus include their respective consolidated subsidiaries unless we state otherwise or the context otherwise requires. The terms we, us and our refer to Ashland and Marathon.

ASHLAND INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD , 2004

To the shareholders of Ashland Inc.:

A special meeting of shareholders of Ashland Inc. will be held on , 2004, at , local time, at .

The record date for the special meeting is . Only holders of record of Ashland common stock at the close of business on the record date are entitled to attend and vote at the special meeting or any adjournment or postponement of the special meeting.

The purpose of the special meeting is to consider and vote upon the approval of the transactions and transaction agreements described in this proxy statement/prospectus. Pursuant to the transaction agreements, Ashland will transfer its interest in Marathon Ashland Petroleum LLC, which we refer to as MAP, its maleic anhydride business and 61 Valvoline Instant Oil Change Centers in Michigan and northwest Ohio to a subsidiary of Marathon Oil Corporation. As a result of the transactions, Ashland shareholders will receive shares of Marathon common stock with a total value of $315 million and shares of common stock of a successor corporation to Ashland, which we refer to as New Ashland, in exchange for the shares of Ashland common stock they currently own. New Ashland will receive redemption proceeds from MAP of approximately $800 million in cash and MAP accounts receivable plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions, and Marathon will effectively assume approximately $1.9 billion of new debt to be incurred to provide for retirement of outstanding indebtedness of Ashland and payments in connection with other financial obligations. Therefore, Ashland will receive approximately $2.7 billion in total consideration plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions.

As part of the transactions, Ashland will merge with and into one of its subsidiaries. If the transactions and the transaction agreements are approved by Ashland shareholders and the transactions are subsequently completed, the existing businesses of Ashland other than those to be transferred to Marathon will be owned by New Ashland, the successor to Ashland through a series of mergers, and New Ashland will be a publicly traded company owned by Ashland shareholders. As part of the transactions, the name of New Ashland will be changed to Ashland Inc.

If the transactions and the transaction agreements are approved and the transactions are subsequently completed, for each share of Ashland common stock you own, you will be entitled to receive one share of New Ashland common stock. In addition, you will be entitled to receive shares of Marathon common stock with a value of approximately $ per Ashland share based on the number of Ashland shares currently outstanding. The Marathon common stock to be received by Ashland shareholders will have a total value of $315 million.

Copies of the transaction agreements are attached to this proxy statement/prospectus as Annexes A, B, C, D and E. The plan of merger providing for Ashland s merger with one of its subsidiaries as part of the transactions is included in the master agreement attached as Annex A. The articles of incorporation and by-laws of New Ashland that will be in effect upon the closing of the transactions are attached to this proxy statement/prospectus as Annexes F and G, respectively.

No matters other than the proposal to approve the transactions and the transaction agreements will be brought before the special meeting.

Your vote is important no matter how many shares you own. Ashland cannot complete the transactions unless the transactions and the transaction agreements are approved by the affirmative vote of a majority of the shares of Ashland common stock outstanding and entitled to vote at the special meeting. **Failure to vote will have the same effect as a vote against the approval of the transactions and the transaction agreements.**

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Whether or not you plan to attend the special meeting, it is important that your shares be represented and voted. Therefore, after reading this proxy statement/prospectus, please complete, sign, date and return your proxy promptly. Voting instructions are inside this proxy statement/prospectus. The proxy is revocable and will not affect your right to vote in person if you attend the special meeting.

The Ashland board of directors has unanimously adopted and approved the transactions and the transaction agreements and unanimously recommends that you vote FOR the approval of the transactions and the transaction agreements.

Please do not send any common stock certificates at this time. If the transactions are completed, you will be sent instructions regarding the exchange of your common stock certificates.

Ashland shareholders who do not vote in favor of approval of the transactions and the transaction agreements have the right under Kentucky law to assert dissenters rights and to demand and receive in cash the fair value of their shares pursuant to Subtitle 13 of the Kentucky Business Corporation Act. A copy of the provisions of Kentucky law that grant dissenters rights and specify the required procedures for asserting dissenters rights is attached to this proxy statement/prospectus as Annex H.

By Order of the Ashland Inc.

Board of Directors,

David L. Hausrath
Secretary

, 2004
Covington, Kentucky

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QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS

Below are brief answers to frequently asked questions concerning the transactions and the special meeting. These questions and answers do not, and are not intended to, address all of the information that may be important to you. You should read carefully this entire proxy statement/prospectus and the other documents to which we refer you.

GENERAL

Q: What am I being asked to vote on at the special meeting?

A: Ashland Inc. s shareholders are being asked to approve the transactions and the transaction agreements, under which Ashland and Marathon Oil Corporation (Marathon) will complete the transactions. In the transactions, Ashland will transfer its interest in Marathon Ashland Petroleum LLC (MAP), its maleic anhydride business and 61 Valvoline Instant Oil Change (VIOC) centers in Michigan and northwest Ohio to Marathon. As part of the transactions, Ashland will merge with and into one of its subsidiaries. Upon the closing of the transactions, the existing businesses of Ashland (other than the interest in MAP, the maleic anhydride business and the 61 VIOC centers) will be owned by New EXM Inc. (New Ashland), the successor to Ashland through a series of mergers. New Ashland will be a publicly traded company owned by the former Ashland shareholders. It will change its name to Ashland Inc. as part of the transactions.

Q: Why is Ashland proposing the transactions?

A: Ashland s board of directors and executive management believe the transactions, if completed, will provide superior value to all other alternatives available to Ashland with respect to its interest in MAP. Under the terms of the governing documents of MAP, on or after December 31, 2004, Marathon has an option to purchase Ashland s interest in MAP at a purchase price equal to the fair market value of the interest plus a 15% premium, and, after December 31, 2004, Ashland has an option to sell its interest at a purchase price equal to the fair market value of the interest less a 15% discount (10% to the extent the purchase price is paid in equity securities). The master agreement provides that the parties cannot exercise their respective options unless the master agreement is terminated in accordance with its terms. Ashland had and continues to have no intention of exercising its option to sell its interest in MAP. Therefore, the transactions eliminate the timing and valuation uncertainties should Marathon have exercised its option under the governing documents of MAP and also eliminate these uncertainties should Ashland change its intent with respect to its option. Ashland s board of directors and executive management considered a variety of factors, including the adverse income tax consequences to Ashland of Marathon s exercising its option, and, based on those considerations, believe that the transactions are superior to, and will provide more value to Ashland and its shareholders than, a taxable sale of its interest in MAP pursuant to Marathon s option. In addition, Ashland s board of directors and executive management believe the transactions complement Ashland s strategic focus outlined in its eight-point profitability improvement plan formulated in October 2002 and are another step in Ashland s strategy of transforming and improving its performance and financial dynamics by focusing on its wholly owned businesses.

Q: What will Ashland receive in the transactions?

A: Under the terms of the master agreement relating to the transactions, New Ashland will receive approximately $800 million plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions payable in a combination of cash and MAP accounts receivable and Marathon will effectively assume approximately $1.9 billion of new debt to be incurred to provide for retirement of outstanding indebtedness of

Ashland and payments in connection with other financial obligations. Therefore, Ashland will receive approximately $2.7 billion in total consideration plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions.

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Q: What will I receive in the transactions?

A: Upon the closing of the transactions, each outstanding share of Ashland common stock (other than shares held by shareholders who validly assert dissenters rights) will be converted into the right to receive one share of New Ashland common stock and a number of shares of Marathon common stock equal to the exchange ratio. The exchange ratio will equal $315 million divided by the product of (1) the Fair Market Value and (2) the total number of shares of Ashland common stock issued and outstanding immediately prior to the closing. The exchange ratio is designed to provide that Ashland shareholders receive an aggregate number of Marathon shares worth $315 million (or approximately $ per Ashland share based on the number of Ashland shares currently outstanding). Fair Market Value means an amount equal to the average of the closing sale prices per share for Marathon common stock on the New York Stock Exchange as reported in *The Wall Street Journal*, Northeastern Edition, for each of the 20 consecutive trading days ending with the third complete trading day prior to the closing date (not counting the closing date).

Q: What vote of Ashland shareholders is required to approve the transactions and the transaction agreements?

A: The approval of the transactions and the transaction agreements requires the affirmative vote of shareholders holding a majority of shares of Ashland common stock outstanding on the record date for the special meeting.

Q: What is the position of the Ashland board of directors regarding the transactions?

A: The Ashland board of directors unanimously recommends that Ashland shareholders vote FOR the approval of the transactions and the transaction agreements.

Q: What will my rights as a New Ashland shareholder be after the closing of the transactions?

A: The rights of Ashland shareholders with respect to their shares of New Ashland common stock after the closing of the transactions will be substantially similar to their existing rights with respect to their shares of Ashland common stock and will be governed by:

- the Kentucky Business Corporation Act;
- the articles of incorporation of New Ashland, which, upon the closing of the transactions, will be substantially similar to the third restated articles of incorporation of Ashland; and
- the by-laws of New Ashland, which, upon the closing of the transactions, will be substantially similar to the existing by-laws of Ashland.

Q: Who will serve as the directors and executive officers of New Ashland after the closing of the transactions?

A: The directors and executive officers of Ashland immediately prior to the closing of the transactions are expected to serve as the directors and executive officers, respectively, of New Ashland immediately after the closing of the transactions.

Q: What will my rights as a Marathon stockholder be after the closing of the transactions?

A: The rights of Ashland shareholders with respect to their shares of Marathon common stock after the closing of the transactions will be governed by:

the Delaware General Corporation Law;

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the restated certificate of incorporation of Marathon; and

the by-laws of Marathon.

Q: Do Marathon stockholders have to approve the transactions?

A: Marathon has advised Ashland that no vote of Marathon stockholders is required or being sought in connection with the transactions and the transaction agreements.

Q: What are the material U.S. Federal income tax consequences of the transactions?

A: We have structured the transactions to be generally tax-free to Ashland and its shareholders, and to New Ashland, and the transactions are conditioned upon the receipt of favorable tax rulings from the Internal Revenue Service as to various tax consequences of the transactions. There is a meaningful risk that we will not obtain the favorable tax rulings, but we believe the receipt of these rulings is more likely than not. If we receive these tax rulings, it is the opinion of Ashland s legal advisor, Cravath, Swaine & Moore LLP, that Ashland shareholders will not recognize any gain or loss for U.S. Federal income tax purposes as a result of the transactions, except for any gain or loss attributable to the receipt of cash in lieu of fractional shares of Marathon common stock. However, even if we receive these tax rulings, a tax under Section 355(e) of the Internal Revenue Code will nevertheless be imposed on Ashland if, as of the date of the closing of the transactions, the fair market value of the New Ashland common stock exceeds Ashland s tax basis in the New Ashland common stock. That basis cannot be determined with precision at this time, because it depends in part on the amount of taxable income Ashland generates before the closing of the transactions. However, based on current tax basis estimates and the number of Ashland shares currently outstanding, if the combined value of the consideration to be received by the Ashland shareholders is above $ per share as of the date of the closing (approximately $51.00 of New Ashland common stock and approximately $ of Marathon common stock), the value of the New Ashland common stock will exceed its tax basis and Ashland will be required to pay tax under Section 355(e). Under the tax matters agreement among the parties relating to the transactions, New Ashland will be responsible for any Section 355(e) tax resulting from the transactions and must indemnify Marathon against that tax. The material U.S. Federal income tax consequences of the transactions are described in more detail in the section of this proxy statement/prospectus entitled The Transactions Material U.S. Federal Income Tax Consequences of the Transactions beginning on page 83. We encourage you to consult your own tax advisors for a full understanding of the tax consequences of the transactions to you, including any applicable Federal, state, local and foreign tax consequences.

Q: Are there risks associated with the transactions?

A: Yes, there are important risks involved. We encourage you to read carefully and in their entirety the sections of this proxy statement/prospectus entitled Risk Factors and Disclosure Regarding Forward-Looking Statements beginning on pages 27 and 43, respectively.

Q: What is Ashland s intended use of the proceeds it receives from the transactions?

A: In accordance with the provisions of the transaction agreements which designate the use of proceeds from specified aspects of the transactions, Ashland intends that (1) New Ashland will use a substantial portion of the proceeds from the transactions to provide for retirement of outstanding indebtedness of Ashland and payments in connection with other financial obligations and (2) New Ashland will use the remainder of those proceeds for general corporate purposes, which may include the funding of pension obligations and expanding its business through both internal growth and future business acquisitions.

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Q: If Ashland s shareholders approve the transactions and the transaction agreements, are there any conditions to the closing of the transactions?

A: Yes, the closing of the transactions is subject to the satisfaction of a number of conditions, including the receipt of specified favorable tax rulings from the Internal Revenue Service. The conditions to the closing are described in the section of this proxy statement/prospectus entitled The Master Agreement Conditions to Closing of the Transactions beginning on page 106.

Q: When do you expect the transactions to close?

A: We are working to close the transactions as quickly as possible. If Ashland shareholders approve the transactions and the transaction agreements, we expect to close the transactions as soon as possible after the satisfaction of the conditions to the closing of the transactions. We expect the conditions will be satisfied by the end of the 2004 calendar year. If the conditions are satisfied, we expect the transactions to close shortly thereafter.

Q: Am I entitled to dissenters rights?

A: Yes, if you do not vote in favor of the approval of the transactions and the transaction agreements, you will be entitled to statutory dissenters rights if you follow the procedures described in this proxy statement/prospectus to assert your dissenters rights. You should read carefully the section of this proxy statement/prospectus entitled The Transactions Rights of Dissenting Shareholders beginning on page 88 and the copy of the relevant provisions of Kentucky law attached as Annex H to this proxy statement/prospectus for a more complete description of dissenters rights and the procedures for asserting your dissenters rights.

PROCEDURES

Q: Who is entitled to vote at the special meeting?

A: Ashland shareholders at the close of business on , 2004 (the record date) are entitled to vote at the special meeting. Each share of Ashland common stock is entitled to one vote.

Q: Who can attend the special meeting?

A: All Ashland shareholders on the record date are invited to attend the special meeting, although seating is limited. If your shares are held in the name of a nominee (*e.g.*, through a bank or broker), you will need to bring a proxy or letter from that nominee that confirms you are the beneficial owner of those shares.

Q: What constitutes a quorum?

A: As of the record date, shares of Ashland common stock were outstanding. A majority of these outstanding shares present in person or by proxy is required to constitute a quorum to transact business at the special meeting. If you vote in person, by telephone, over the Internet or by returning a properly executed proxy card, you will be considered a part of the quorum. Abstentions and broker non-votes (when a broker does not have authority to vote on a specific issue) will be treated as present for the purpose of determining a quorum but as votes against the approval of the transactions and the transaction agreements because the required vote of Ashland shareholders is based on the number of outstanding shares of Ashland common stock, rather than upon the number of shares actually voted.

Q: When will the proxy statement/prospectus and proxy card be mailed to Ashland shareholders?

A: This proxy statement/prospectus and the proxy card will be mailed to Ashland shareholders on or about , 2004.

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Q: What should I do now?

A: After carefully reading and considering the information contained in this proxy statement/prospectus and the documents to which we refer you, please complete, sign, date and return your proxy card in the enclosed prepaid and addressed envelope so that your shares may be represented at the special meeting of Ashland shareholders. You may also submit your proxy by telephone or over the Internet by following the instructions on your proxy card.

Q: Should I send my Ashland common stock certificates now?

A: No. Upon the closing of the transactions, you will be sent a transmittal form with instructions for the surrender of your Ashland common stock certificates. Please do not send in your Ashland common stock certificates with your proxy card.

Q: What if I do not vote?

A: If you fail to either submit a proxy or vote in person, your inaction will have the same effect as a vote against the approval of the transactions and the transaction agreements because the required vote of Ashland shareholders is based on the number of outstanding shares of Ashland common stock rather than the number of shares actually voted.

Q: How do I vote?

A: If your shares are registered in the name of a nominee, follow the instructions provided by your nominee to vote your shares. If your shares are registered in your name:

You may vote in person at the special meeting.

You may vote by telephone. You may vote by telephone regardless of whether you receive your special meeting materials through the mail or over the Internet. Simply follow the instructions on your proxy card or electronic access notification. If you vote by telephone, you should not vote over the Internet or mail in your proxy card.

You may vote over the Internet. You may vote over the Internet regardless of whether you receive your special meeting materials through the mail or over the Internet. Simply follow the instructions on your proxy card or electronic access notification. If you vote over the Internet, you should not vote by telephone or mail in your proxy card.

You may vote by mail. If you received a proxy card through the mail, simply complete and sign your proxy card and mail it in the enclosed prepaid and addressed envelope. If you mark your voting instructions on the proxy card, your shares will be voted as you instruct. If no voting specification is made on your signed and returned proxy card, James J. O Brien or David L. Hausrath, as proxies named on the proxy card, will vote FOR the approval of the transactions and the transaction agreements. If you vote by mail, you should not vote by telephone or over the Internet.

If your shares are voted for the approval of the transactions and the transaction agreements you will lose your right to exercise dissenters rights.

Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me?

A: Your broker will not be able to vote your shares for the approval of the transactions and the transaction agreements without instructions from you. You should instruct your broker to vote your shares, following the directions your broker provides. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

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Q: What if I fail to instruct my broker?

A: If you fail to instruct your broker to vote your shares with respect to the approval of the transactions and the transaction agreements, and the broker submits an unvoted proxy, the resulting broker non-vote will be counted toward a quorum at the special meeting, but it will have the same effect as a vote against the transactions and the transaction agreements because the required vote of Ashland shareholders is based on the number of outstanding shares of Ashland common stock rather than the number of shares actually voted.

Q: Can I change my vote once I have voted by mail, by telephone or over the Internet?

A: Yes. If you have not voted through your broker, you have the right to change or revoke your proxy:

- at any time before the special meeting by:
  - notifying Ashland s Secretary in writing;
  - returning a later-dated proxy card; or
  - entering a later-dated telephone or Internet vote; or
- by voting in person at the special meeting.

However, any changes or revocations of voting instructions submitted to the Trustee of the Leveraged Employee Stock Ownership Plan (the LESOP) and Ashland s Employee Savings Plan must be received by our proxy tabulator, National City Bank, or its agent, before midnight Eastern Standard Time on , , 2004. If you have instructed a broker to vote your shares, you must follow the directions you receive from your broker in order to change or revoke your vote.

Q: Who counts the vote?

A: Representatives of National City Bank or its agent will tabulate the votes.

Q: Is my vote confidential?

A: Yes, your vote is confidential.

Q: What shares are included in the proxy card?

A: Your proxy card represents all shares of Ashland common stock that are registered in your name and any shares you hold in Ashland s Open Enrollment Dividend Reinvestment and Stock Purchase Plan (the Dividend Reinvestment Plan), the LESOP or the Employee Savings Plan. If your shares are held through a nominee, you will receive either a voting instruction form or a proxy card from the nominee to vote your shares.

Q: How do I vote my shares in the Dividend Reinvestment Plan?

A: Shares of Ashland common stock credited to your account in the Dividend Reinvestment Plan will be voted by National City Bank, the plan administrator, in accordance with your voting instructions.

Q: How will the Trustee of the Employee Savings Plan and the LESOP vote?

A: Each participant in the Employee Savings Plan or the LESOP will instruct the Trustee how to vote the shares of Ashland common stock credited to the participant s account in each plan. This instruction also applies to a proportionate number of those shares of Ashland common stock allocated to other participants accounts but for which voting instructions are not timely received by the Trustee. These shares are referred to as non-directed shares. Each participant who gives the Trustee such an instruction acts as a named fiduciary for the plans under the Employee Retirement Income Security Act of 1974, as amended.

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Q: Can a plan participant vote the non-directed shares differently from shares credited to his or her account?

A: Yes. Any participant in the Employee Savings Plan or the LESOP who wishes to vote the non-directed shares differently from the shares credited to his or her account or who wishes not to vote the non-directed shares at all may do so by requesting a separate voting instruction card from National City Bank, Corporate Trust Administration, Dept. 3116, 629 Euclid Avenue, Suite 635, Cleveland, Ohio 44114-3484.

Q: Where can I find the voting results of the special meeting?

A: Ashland intends to announce preliminary voting results at the special meeting. Ashland will publish the final results in a press release or in a current report on Form 8-K. You will be able to obtain a copy of the Form 8-K by logging on to Ashland s website at *http://www.ashland.com*, by calling the Securities and Exchange Commission at (800) SEC-0330 for the location of the nearest public reference room or through the EDGAR system at *http://www.sec.gov*.

Q: Whom should I contact with questions?

A: If you have any questions regarding the special meeting or need assistance in voting your shares, please contact Ashland s proxy solicitor:

Georgeson Shareholder Communications, Inc.

17 State Street, 10th Floor

New York, NY 10004

Telephone: (212) 440-9800 (for banks and brokers)

Telephone: (888) 449-6423 (for all other shareholders)

or

Ashland Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Attention: Investor Relations

Telephone: (859) 815-3333

If you have other questions regarding the transactions or would like copies of any of the documents related to Ashland we refer you to, please contact:

Ashland Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Attention: Corporate Secretary

Telephone: (859) 815-3333

If you would like copies of any of the documents related to Marathon we refer you to, please contact:

Marathon Oil Corporation

5555 San Felipe Road

Houston, TX 77056-2723

Attention: Corporate Secretary

Telephone: (713) 629-6600

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SUMMARY

This summary does not contain all of the information that may be important to Ashland shareholders and is qualified in its entirety by reference to the information contained elsewhere in, or incorporated by reference in, this proxy statement/prospectus. You are urged to read the entire proxy statement/prospectus, including the information set forth in the section of this proxy statement/prospectus entitled Risk Factors beginning on page 27, and the attached annexes and the documents incorporated by reference. See also Where You Can Find More Information beginning on page 160.

The description of New Ashland and Marathon after the closing of the transactions includes forward-looking statements and is not necessarily indicative of the results that actually would have been obtained had the transactions taken place earlier or of the results that may be obtained in the future. You are urged to review the section of this proxy statement/prospectus entitled Disclosure Regarding Forward-Looking Statements beginning on page 43 and the summary financial data beginning on page 21.

The Companies (page 48)

Ashland Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

Ashland is a transportation construction, chemical and petroleum company providing innovative products, services and solutions. Ashland has sales and operations throughout the United States and around the world. As part of the transactions, Ashland will merge with and into EXM LLC. EXM LLC will survive the merger and Ashland will cease to exist.

ATB Holdings Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

ATB Holdings is a newly formed, wholly owned subsidiary of Ashland. ATB Holdings has not conducted, and will not conduct, any active business operations. As part of the transactions, Ashland will contribute its interest in MAP, its maleic anhydride business and 61 Valvoline Instant Oil Change (VIOC) centers located in Michigan and northwest Ohio to ATB Holdings. In the final step of the transactions, ATB Holdings will merge with and into Marathon Domestic LLC. Marathon Domestic LLC will survive the merger and ATB Holdings will cease to exist.

EXM LLC

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

EXM LLC is a newly formed, wholly owned subsidiary of ATB Holdings. EXM LLC has not conducted, and will not conduct, any active business operations. As part of the transactions, Ashland will merge with and into EXM LLC. EXM LLC will survive the merger and Ashland will cease to exist. Subsequently, as part of the transactions, EXM LLC will merge with and into New Ashland. New Ashland will survive the merger and EXM LLC will cease to exist.

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New EXM Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

New EXM Inc. is a newly formed, wholly owned subsidiary of ATB Holdings and is referred to in this proxy statement/prospectus as New Ashland. New Ashland has not conducted, and will not conduct, any active business operations prior to the closing of the transactions. As part of the transactions, New Ashland will (1) be renamed Ashland Inc., (2) be the successor by merger to Ashland, (3) be a publicly traded company owned by Ashland shareholders, (4) own all of the businesses currently owned by Ashland other than Ashland s interest in MAP, its maleic anhydride business and the 61 VIOC centers located in Michigan and northwest Ohio to be contributed to ATB Holdings and (5) receive the proceeds of the partial redemption and the capital contribution. Ashland expects that New Ashland common stock will be traded on the New York Stock Exchange under the same symbol (ASH) under which Ashland currently trades. Ashland expects that the directors and executive officers of Ashland immediately prior to the closing of the transactions will serve as the directors and executive officers, respectively, of New Ashland immediately after the closing of the transactions.

Marathon Oil Corporation

5555 San Felipe Road

Houston, TX 77056-2723

Telephone: (713) 629-6600

Marathon is a global integrated energy company which, through its subsidiaries, is engaged in

- worldwide exploration and production of crude oil and natural gas;
- domestic refining, marketing and transportation of crude oil and petroleum products, primarily through MAP; and
- integrated gas.

Marathon Oil Company

5555 San Felipe Road

Houston, TX 77056-2723

Telephone: (713) 629-6600

Marathon Oil Company is a wholly owned operating subsidiary of Marathon through which Marathon conducts substantially all of its operations and which owns Marathon s 62% interest in MAP. Marathon Oil Company and its predecessors have been engaged in the oil and gas business since 1887.

Marathon Ashland Petroleum LLC

539 South Main Street

Findlay, OH 45840

MAP is a domestic petroleum refining, marketing and transportation company in which Marathon Oil Company currently owns a 62% interest and Ashland owns a 38% interest. MAP owns and operates seven refineries and an integrated crude oil and refined product transportation network. In addition, MAP conducts retail operations through its wholly owned subsidiary Speedway SuperAmerica LLC and through Pilot Travel Centers LLC, in which it owns a 50% interest. Immediately after the transactions, all of the interests in MAP will be owned by Marathon, through its subsidiaries.

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Marathon Domestic LLC

5555 San Felipe Road

Houston, TX 77056-2723

Telephone: (713) 629-6600

Marathon Domestic LLC is a newly formed, wholly owned subsidiary of Marathon. Marathon Domestic LLC has not conducted, and will not conduct, any active business operations prior to the closing of the transactions. As part of the transactions, ATB Holdings will merge with and into Marathon Domestic LLC. Marathon Domestic LLC will survive the merger and ATB Holdings will cease to exist. As a result, Marathon Domestic LLC will become the holder of Ashland s interest in MAP, its maleic anhydride business and 61 VIOC centers located in Michigan and northwest Ohio.

The Transactions (page 52)

Ashland and Marathon have entered into an agreement under which Ashland will transfer its interest in MAP, its maleic anhydride business and 61 VIOC centers in Michigan and northwest Ohio to Marathon Domestic LLC, a wholly owned subsidiary of Marathon. As a result of the transactions, Ashland shareholders will receive shares of Marathon common stock and shares of New Ashland common stock as described further below and New Ashland will receive redemption proceeds from MAP of approximately $800 million plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions payable in a combination of cash and MAP accounts receivable, and Marathon will effectively assume approximately $1.9 billion of new debt to be incurred to provide for retirement of outstanding indebtedness of Ashland and payments in connection with other financial obligations, as described below. Therefore, Ashland will receive approximately $2.7 billion in total consideration plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions. As part of the transactions, Ashland will merge with and into EXM LLC, EXM LLC will subsequently merge with and into New Ashland and, upon the closing of the transactions, the existing businesses of Ashland, other than those to be transferred to Marathon Domestic LLC, will be owned by New Ashland.

In connection with Ashland s merger into EXM LLC, each outstanding share of Ashland common stock (other than shares held by Ashland shareholders who validly exercise dissenters rights) will be converted into and represent one share of ATB Holdings common stock. Upon the closing of the transactions, each outstanding share of ATB Holdings common stock will be converted into the right to receive one share of New Ashland common stock and a number of shares of Marathon common stock equal to the exchange ratio. The exchange ratio will equal $315 million divided by the product of (1) the Fair Market Value (defined below) and (2) the total number of shares of Ashland common stock issued and outstanding immediately prior to the closing. The exchange ratio is designed to provide that Ashland shareholders will receive an aggregate number of Marathon shares worth $315 million (or approximately $ per Ashland share based on the number of Ashland shares currently outstanding).

Fair Market Value means an amount equal to the average of the closing sale prices per share for Marathon common stock on the New York Stock Exchange as reported in *The Wall Street Journal*, Northeastern Edition, for each of the 20 consecutive trading days ending with the third complete trading day prior to the closing date (not counting the closing date).

Transaction Steps

The master agreement sets forth a series of steps necessary to complete the transactions. Following the satisfaction or waiver of the conditions to the transactions, it is anticipated that these steps will occur on the day of the closing of the transactions and in the following order:

MAP will redeem a portion of Ashland s 38% interest in MAP for a redemption price of approximately $800 million plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions.

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In this redemption of a portion of Ashland s interest in MAP, which we refer to as the partial redemption, MAP will distribute cash and MAP accounts receivable to Ashland.

Ashland will contribute its maleic anhydride business and 61 VIOC centers to ATB Holdings.

Ashland will contribute its remaining interest in MAP, its 4% interest in LOOP LLC and its 8.62% interest in LOCAP LLC to ATB Holdings. Ashland s interests in LOOP LLC and LOCAP LLC are related to the business conducted by MAP.

Ashland will merge with and into EXM LLC, which will be the surviving business entity of the merger and a wholly owned subsidiary of ATB Holdings. Each share of Ashland common stock (other than those shares held by shareholders validly asserting dissenters rights) will be converted into and represent one share of ATB Holdings common stock. We refer to this merger as the reorganization merger.

Marathon will arrange for a borrowing by ATB Holdings of approximately $1.9 billion, which will be expressly non-recourse to Ashland. ATB Holdings will contribute cash in an amount equal to the total amount of this borrowing to EXM LLC. We refer to this contribution as the capital contribution.

EXM LLC will merge with and into New Ashland, which will be the surviving business entity of the merger and a wholly owned subsidiary of ATB Holdings. We refer to this merger as the conversion merger.

ATB Holdings will merge with and into Marathon Domestic LLC, a wholly owned subsidiary of Marathon which will survive the merger. Each holder of ATB Holdings common stock will have the right to receive, for each share of ATB Holdings common stock, one share of New Ashland common stock and a pro rata amount of shares of Marathon common stock based on the exchange ratio described above (the acquisition merger consideration). We refer to this merger as the acquisition merger.

The Special Meeting (page 44)

The special meeting of Ashland shareholders will be held on , , at , local time, at . At the special meeting, Ashland shareholders will be asked to consider and vote on a proposal to approve the transactions and the transaction agreements.

At the close of business on the record date, Ashland s directors and executive officers and their respective affiliates beneficially owned and were entitled to vote shares of Ashland common stock, which represented % of the shares of Ashland common stock outstanding on that date. Each Ashland director and executive officer has indicated his or her present intention to vote, or cause to be voted, the shares of Ashland common stock beneficially owned by him or her for the approval of the transactions and the transaction agreements.

Recommendation of the Ashland Board of Directors (page 60)

The Ashland board of directors has unanimously determined that the terms of the transactions are fair to and in the best interests of Ashland and its shareholders and has unanimously adopted and approved the transactions and the transaction agreements. The Ashland board of directors unanimously recommends that Ashland shareholders vote FOR the approval of the transactions and the transaction agreements.

Ashland s Reasons for the Transactions (page 60)

Ashland s board of directors and executive management believe the transactions, if completed, will provide superior value to all other alternatives available to Ashland with respect to its interest in MAP. Under the terms of the governing documents of MAP, on or after December 31, 2004, Marathon has an option to purchase Ashland s interest in MAP at a purchase price equal to the fair market value of the interest plus a 15% premium,

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and, after December 31, 2004, Ashland has an option to sell its interest at a purchase price equal to the fair market value of the interest less a 15% discount (10% to the extent the purchase price is paid in equity securities). The master agreement provides that the parties cannot exercise their respective options unless the master agreement is terminated in accordance with its terms. Ashland had and continues to have no intention of exercising its option to sell its interest in MAP. Therefore, the transactions eliminate the timing and valuation uncertainties should Marathon have exercised its option under the governing documents of MAP and also eliminate these uncertainties should Ashland change its intent with respect to its option. Ashland s board of directors and executive management considered a variety of factors, including the adverse income tax consequences to Ashland of Marathon s exercising its option, and, based on those considerations, believe that the transactions are superior to, and will provide more value to Ashland and its shareholders than, a taxable sale of its interest in MAP pursuant to Marathon s option. In addition, Ashland s board of directors and executive management believe the transactions complement Ashland s strategic focus outlined in its eight-point profitability improvement plan formulated in October 2002 and are another step in Ashland s strategy of transforming and improving its performance and financial dynamics by focusing on its wholly owned businesses.

Marathon s Reasons for the Transactions (page 62)

Marathon s board of directors believes that owning 100% of MAP will provide Marathon with the financial and strategic flexibility to capture and fund growth opportunities in its upstream, downstream and integrated gas business segments. Additionally, the transactions will increase Marathon s ownership in a top-quartile downstream business without the risks commonly associated with integrating a newly acquired business. In particular, Marathon s board of directors believes that complete ownership of MAP provides Marathon the opportunity to leverage MAP s access to premium U.S. markets where Marathon expects the levels of demand to remain high for the foreseeable future and where Marathon expects MAP will continue to have adequate sources of supply of crude oil and other feedstocks. In addition, Marathon s board of directors believes that MAP provides Marathon with a source of cash flow that will enhance the geographical balance in Marathon s overall risk portfolio. Further, Marathon anticipates the transactions will be accretive to earnings per share and cash flow beginning in 2005. The transactions also eliminate the timing and valuation uncertainties associated with the exercise of Ashland s and Marathon s respective options under MAP s governing documents and eliminate the potential that a misalignment of the interests of Ashland and Marathon, as co-owners of MAP, could adversely affect MAP s future growth and financial performance.

Opinion of Ashland s Financial Advisor (page 63)

In deciding to adopt and approve the transactions and the transaction agreements, the Ashland board of directors considered the written opinion, dated March 18, 2004, of its financial advisor, Credit Suisse First Boston LLC (Credit Suisse First Boston), to the effect that, as of that date and based upon and subject to the matters described in its opinion, the acquisition merger consideration to be received by Ashland shareholders pursuant to the acquisition merger described in this proxy statement/prospectus was fair, from a financial point of view, to those shareholders. The full text of this opinion is attached as Annex I to this proxy statement/prospectus. Ashland urges you to read this opinion in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations of the review undertaken. This opinion does not constitute a recommendation to any shareholder as to any matter relating to any of the transactions or transaction agreements.

Opinions of American Appraisal Associates, Inc. (page 77)

On March 18, 2004, American Appraisal Associates, Inc. (AAA) delivered written opinions addressed to the Marathon board of directors and provided to the Ashland board of directors regarding the satisfaction of specified solvency-related tests by Ashland, New Ashland and MAP before and immediately after the closing of

the transactions. In a separate written opinion, also dated March 18, 2004 and addressed to the Marathon board of directors, AAA stated that, subject to the assumptions and limitations set forth in its opinion letter, in its opinion, as of the date of the letter, the combined value of the partial redemption and the capital contribution is reasonably equivalent to the combined value of Ashland s 38% interest in MAP, its maleic anhydride business and the 61 VIOC centers.

Opinion of Houlihan Lokey Howard & Zukin Financial Advisors, Inc. (page 81)

In deciding to adopt and approve the transactions and the transaction agreements, the Ashland board of directors considered the written opinion, dated March 18, 2004, of Houlihan Lokey Howard & Zukin Financial Advisors, Inc. (Houlihan Lokey) addressed to the Ashland and New Ashland boards of directors, regarding the satisfaction of specified solvency-related tests by New Ashland immediately after and giving effect to the transactions and on a pro forma basis.

Material U.S. Federal Income Tax Consequences (page 83)

The transactions have been structured to be generally tax-free to Ashland and its shareholders. The closing of the transactions is conditioned upon the receipt by Ashland and Marathon of favorable private letter rulings relating to certain tax issues, and of either favorable private letter rulings or opinions of counsel relating to certain other tax issues. There is a meaningful risk that the parties will not obtain the favorable private letter rulings or tax opinions described above.

Even if the parties receive the favorable private letter rulings and tax opinions described above and assuming the transactions are completed, the transactions could nevertheless be taxable to Ashland (including, as described below, under Section 355(e) of the Internal Revenue Code) under certain circumstances. Although such private letter rulings would generally be binding on the Internal Revenue Service, their continuing validity would be subject to the accuracy of certain factual representations and assumptions described in the ruling request and private letter rulings. If any of those factual representations or assumptions were later found to be inaccurate, Ashland and its shareholders could become liable for tax as a result of the transactions. In addition, any tax opinions received by Ashland and Marathon with regard to the transactions would not be binding on the Internal Revenue Service or the courts and will be based on, among other things, current law and various representations as to factual matters made by Ashland and Marathon, which, if incorrect, could jeopardize the conclusions reached by the advisors of Ashland and Marathon in their opinions. Furthermore, a tax under Section 355(e) of the Internal Revenue Code will be imposed on Ashland if, as of the date of the closing of the transactions, the fair market value of the New Ashland common stock exceeds Ashland s tax basis in the New Ashland common stock. That basis cannot be determined with precision at this time, because it depends in part on the amount of taxable income Ashland generates before the closing of the transactions. However, based on current tax basis estimates and the number of Ashland shares currently outstanding, if the combined value of the consideration to be received by the Ashland shareholders is above $ per share as of the date of the closing (approximately $51.00 of New Ashland common stock and approximately $ of Marathon common stock), the value of the New Ashland common stock will exceed its tax basis and Ashland will be required to pay tax under Section 355(e). The amount of any Section 355(e) tax will depend in part on the fair market value of the New Ashland common stock on the date of the acquisition merger. Each dollar by which the New Ashland stock price on the acquisition merger date exceeds $51.00 per share will result in approximately $71 million of increased pre-tax market value for New Ashland (based on approximately 71 million outstanding shares of common stock) and a tax liability of approximately $28 million. Under the tax matters agreement among the parties relating to the transactions, New Ashland will be responsible for any Section 355(e) tax resulting from the transactions and must indemnify Marathon against that tax.

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Regulatory Matters (page 86)

United States antitrust laws prohibit Ashland and Marathon from closing the transactions until they have furnished certain information and materials to the Antitrust Division of the Department of Justice and the Federal Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the applicable waiting period has expired or been terminated. On May 17, 2004, Ashland and Marathon each filed the required notification and report forms with the Antitrust Division and the Federal Trade Commission. The Federal Trade Commission granted Ashland and Marathon s request for early termination of the statutory waiting period applicable to the transactions, and the waiting period was terminated on June 1, 2004.

The transactions are conditioned on Ashland s and Marathon s receipt of private letter rulings in effect as of the date of the closing of the transactions from the Internal Revenue Service, reasonably satisfactory to the boards of directors of both Ashland and Marathon, regarding specified tax issues described in this proxy statement/prospectus. The parties have filed a request for those rulings with the Internal Revenue Service.

Accounting Treatment (page 87)

Marathon will account for the partial redemption and the acquisition merger as a purchase business combination under generally accepted accounting principles, with Marathon treated as the acquiring enterprise. Marathon will establish a new accounting basis for the tangible and identifiable intangible assets and liabilities of MAP, to the extent of the 38% of MAP not already owned by Marathon, based on the estimated fair values of those assets and liabilities at the closing date for the transactions. Marathon will record as goodwill any excess of the purchase price over the estimated fair values of the tangible and identifiable intangible assets and liabilities. Marathon will not amortize the goodwill but will test it periodically for impairment.

Ashland will account for the disposition of its interest in MAP, its maleic anhydride business and the 61 VIOC centers as a sale under generally accepted accounting principles. A gain will be recognized to the extent the approximately $3.015 billion of total consideration to be received by Ashland and its shareholders (including the $315 million of shares of Marathon common stock issued directly to Ashland shareholders, which will be reflected as a dividend) exceeds Ashland s net book value of the businesses sold, estimated to be approximately $1.95 billion as of March 31, 2004, and the expenses of the sale. Because none of the three businesses qualifies for treatment as discontinued operations, the gain will be recognized in income from continuing operations.

Rights of Dissenting Shareholders (page 88)

Under Kentucky law, if the transactions and the transaction agreements are approved by Ashland shareholders, any Ashland shareholder who objects to the reorganization merger (and therefore, the transactions and the transaction agreements) will be entitled to dissenters rights under Sections 271B.13-010 through 271B.13-310 of the Kentucky Business Corporation Act. To perfect dissenters rights, a shareholder must:

- deliver to Ashland, prior to the shareholder vote at the special meeting to approve the transactions and the transaction agreements, a written notice of his or her intent to demand payment for his or her shares if the reorganization merger is completed;

- not vote his or her shares in favor of the transactions and the transaction agreements; and

- comply with the payment demand and other procedural requirements of the Kentucky Business Corporation Act.

Copies of Sections 271B.13-010 through 271B.13-310 of the Kentucky Business Corporation Act are attached as Annex H to this proxy statement/prospectus.

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Use of Proceeds (page 90)

New Ashland intends to use the proceeds from the capital contribution, either at closing or as soon as reasonably practicable after the closing, to repurchase, repay or defease outstanding debt and to pay, or make payments in connection with the termination or renegotiation of, certain other financial obligations. New Ashland intends to use the proceeds from the partial redemption for general corporate purposes, which may include the funding of pension obligations and expanding its business through both internal growth and future business acquisitions.

Existing Intercompany Arrangements (page 91)

MAP limited liability company agreement

Marathon Oil Company and Ashland, as the owners of MAP, are parties to a limited liability company agreement that establishes the governance provisions of MAP, including provisions addressing its term, the composition and operation of its board of managers, distributions and various other matters.

Asset transfer and contribution agreement

In connection with the formation of MAP, Ashland, Marathon Oil Company and MAP entered into an asset transfer and contribution agreement. This agreement provided for the contribution by Ashland and Marathon Oil Company of particular assets to MAP in exchange for membership interests and the assumption by MAP of certain liabilities. The agreement addresses various other matters related to the asset contribution, including representations and warranties of the parties, indemnification responsibilities and retained liabilities.

Put/call, registration rights and standstill agreement

Ashland, Marathon, Marathon Oil Company and MAP entered into a put/call, registration rights and standstill agreement which provides for various rights of the parties, including (1) the right of Marathon Oil Company to purchase all of Ashland s membership interest in MAP on and after December 31, 2004, (2) the right of Ashland to sell all of its membership interest in MAP to Marathon Oil Company after December 31, 2004 and (3) the right of Ashland and Marathon Oil Company to purchase the membership interests of the other if such other party gives notice that it wants to terminate MAP. In addition, the agreement provides Ashland with demand registration rights with respect to Marathon Oil Company or Marathon securities issued to Ashland in exchange for its membership interest in a sale described in clause (2). During the term of the agreement, each of Ashland, Marathon and Marathon Oil Company also has agreed not to compete with businesses conducted by MAP, subject to various exceptions.

Interests of Directors and Executive Officers of Ashland (page 94)

In considering the recommendation of Ashland s board of directors with respect to the transactions and the transaction agreements, Ashland shareholders should be aware that members of the Ashland board of directors and the executive officers of Ashland have the following interests in the transactions that are in addition to the interests of Ashland shareholders generally: immediately after the closing of the transactions, (1) all of the existing directors of Ashland are expected to serve as directors of New Ashland and receive the same compensation as before the closing of the transactions and (2) all of the existing executive officers of Ashland are expected to serve as the executive officers of New Ashland and receive the same compensation as before the closing of the transactions.

Treatment of Ashland Stock Options (page 94)

The Personnel and Compensation Committee of the Ashland board of directors will take appropriate action to adjust outstanding Ashland stock options under Ashland s stock option and incentive plans to reflect the transactions.

Stock Exchange Listing of New Ashland Common Stock; Delisting and Deregistration of Ashland Common Stock (page 95)

The transactions are conditioned upon the shares of New Ashland common stock to be issued in connection with the transactions being approved for listing on the New York Stock Exchange or the Nasdaq National Market, subject to official notice of issuance. Ashland intends for the shares of New Ashland common stock to be listed on the New York Stock Exchange and the Chicago Stock Exchange. Ashland expects that the symbol under which Ashland common stock now trades (ASH) will continue to be used for the shares of New Ashland common stock. If the transactions are completed, Ashland common stock will cease to be listed on the New York Stock Exchange and the Chicago Stock Exchange and will be deregistered under the Securities Act of 1933 and the Securities Exchange Act of 1934.

Stock Exchange Listing of Marathon Common Stock (page 95)

The transactions are conditioned on the shares of Marathon common stock to be issued in connection with the transactions being approved for listing on the New York Stock Exchange, subject to official notice of issuance. Shares of Marathon common stock currently are listed on the New York Stock Exchange, the Chicago Stock Exchange and the Pacific Stock Exchange under the symbol MRO.

The Master Agreement (page 97)

The master agreement generally sets forth the framework and principal terms for effecting the transactions. The rights and obligations of the parties to the master agreement are governed by the specific terms and conditions of the master agreement and not by any summary or other information in this proxy statement/prospectus. Therefore, the information in this proxy statement/prospectus regarding the master agreement and the transactions is qualified in its entirety by reference to the master agreement itself, a copy of which is attached as Annex A to this proxy statement/prospectus.

Conditions to the closing of the transactions

Ashland and Marathon will close the transactions only if they satisfy or waive several conditions, including the following:

- the receipt of the approval of Ashland s shareholders;
- the approval for listing on the New York Stock Exchange or the Nasdaq National Market of the shares of New Ashland common stock to be issued in the transactions and the approval for listing on the New York Stock Exchange of the shares of Marathon common stock to be issued in the transactions;
- the receipt of any required consents or approvals under any applicable foreign antitrust law;
- the absence of any legal restraints or prohibitions preventing the closing of the transactions;

the continued effectiveness under the Securities Act of the registration statements covering the offer of shares of ATB Holdings common stock, New Ashland common stock and Marathon common stock to be issued in the transactions;

the receipt of updated solvency opinions from AAA and Houlihan Lokey;

the receipt by Ashland and Marathon of a private letter ruling from the Internal Revenue Service to the effect that:

the maleic anhydride business/VIOC centers contribution, the MAP/LOOP/LOCAP contribution and the reorganization merger, taken together, qualify as a tax-free reorganization under Section 368(a)(1)(F) of the Internal Revenue Code;

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- the capital contribution and the conversion merger taken together with the distribution of shares of New Ashland common stock in the acquisition merger (or, if applicable, the distribution by ATB Holdings of shares of New Ashland common stock) qualifies as a tax-free reorganization under Section 368(a)(1)(D) of the Internal Revenue Code;

- the distribution of shares of New Ashland common stock in the acquisition merger (or, if applicable, in the distribution by ATB Holdings of shares of New Ashland common stock prior to the acquisition merger) qualifies as a distribution described in Section 355(a) of the Internal Revenue Code;

- the shares of New Ashland common stock distributed to ATB Holdings shareholders in the acquisition merger (or, if applicable, in the distribution by ATB Holdings of shares of New Ashland common stock prior to the acquisition merger) will not be treated as other property within the meaning of Section 356(a) of the Internal Revenue Code;

- the assumption by Marathon or Marathon Domestic LLC of liabilities of ATB Holdings in the acquisition merger will not be treated as money or other property under Section 357 of the Internal Revenue Code;

- either (1) New Ashland is entitled to deduct certain contingent liabilities of Ashland that will be transferred to New Ashland in the transactions; or (2) Marathon is entitled to deduct such contingent liabilities and certain other related private letter rulings are also received; and

- ATB Holdings s tax basis in its New Ashland common stock will not be reduced by New Ashland s assumption of certain contingent liabilities in a way that would cause a greater amount of Section 355(e) gain to be recognized by ATB Holdings as a result of such assumption of liabilities;

either:

- the receipt by Ashland and Marathon of a private letter ruling from the Internal Revenue Service to the effect that acquisition merger qualifies as a tax-free reorganization under Section 368(a)(1)(A) of the Internal Revenue Code; or

- the receipt by Ashland of a written opinion from Cravath, Swaine & Moore LLP and the receipt by Marathon of a written opinion from Miller & Chevalier Chartered to that effect; and

either:

- the receipt by Ashland and Marathon of certain private letter rulings from the Internal Revenue Service to the effect that the partial redemption results in no gain to Ashland under certain provisions in the Internal Revenue Code with respect to the taxation of partnerships; or

- the receipt by Ashland of a written opinion from Cravath, Swaine & Moore LLP and the receipt by Marathon of a written opinion from Miller & Chevalier Chartered to that effect.

Ashland s obligation to close the transactions is also subject to satisfaction or waiver of additional conditions, including the following:

the correctness of the representations and warranties of Marathon contained in the master agreement, except for any inaccuracies that would not result in a material adverse effect on Marathon;

the performance by the Marathon parties in all material respects of their obligations under the transaction agreements;

Ashland s receipt of irrevocable consents to the transactions from at least 90% of the aggregate principal amount of all series of debt issued under its indenture dated as of August 15, 1989, as amended (with the consent of 66 $^{2}/3$% or more of the aggregate principal amount of a series constituting the consent for the

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entire series and the consent of less than 66 $^{2}/3$% of any series not being considered the consent for any debt of that series);

the absence of an undisclosed material adverse change with respect to Marathon;

MAP s having accounts receivable with a total value at least equal to the amount of MAP accounts receivable to be distributed to Ashland in connection with the partial redemption; and

Ashland s receipt of a certificate from Marathon regarding certain issues related to potential future sales of MAP accounts receivable.

Marathon s obligation to close the transactions is also subject to satisfaction or waiver of additional conditions, including the following:

the correctness of the representations and warranties of Ashland contained in the master agreement, except for any inaccuracies that would not result in a material adverse effect on Ashland; and

the performance by the Ashland parties in all material respects of their obligations under the transaction agreements.

Termination of the master agreement

Ashland and Marathon may mutually agree at any time before the closing of the transactions to terminate the master agreement. Also, either company may terminate the master agreement, without the consent of the other, before the closing of the transactions if:

Ashland shareholders fail to approve the transactions and the transaction agreements;

it is reasonably determined that the condition regarding the receipt of the favorable private letter ruling from the Internal Revenue Service and the tax opinions is incapable of being satisfied due to any modification in Federal income tax law, receipt of a private letter ruling from the Internal Revenue Service or any other official, written communication from the Internal Revenue Service;

the transactions are not completed by June 30, 2005, unless extended to no later than September 30, 2005 as provided in the master agreement (the June 30, 2005 date, as it may be so extended, is sometimes referred to in this proxy statement/prospectus as the outside date for closing);

any governmental entity prohibits the transactions; or

the other party breaches a representation, warranty or covenant contained in the master agreement that would give rise to the failure of a condition to closing set forth in the master agreement.

Ashland may terminate the master agreement if:

prior to the receipt of the approval of Ashland shareholders, Ashland s board of directors receives a superior proposal and determines in good faith that the failure to terminate the master agreement would be reasonably likely to result in a breach of its fiduciary obligations, provided that various other conditions are also met.

Marathon may terminate the master agreement if:

prior to the receipt of the approval of Ashland shareholders, Ashland s board of directors withdraws or modifies in a manner adverse to Marathon its recommendation that the Ashland shareholders approve the transactions and the transaction agreements;

prior to the receipt of the approval of Ashland shareholders, Ashland s board of directors approves or recommends any competing proposal; or

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prior to the receipt of the approval of Ashland shareholders, Ashland s board of directors fails to reaffirm, within 10 business days of Marathon s request to do so, its recommendation to Ashland shareholders that they approve the transactions and the transaction agreements.

Termination fee

Ashland has agreed to pay Marathon a $30 million termination fee and a $10 million expense reimbursement if the master agreement is terminated for any of the reasons specified in the immediately preceding four bullet points. These fees are also payable by Ashland to Marathon if any third party makes a competing proposal that has not been withdrawn at the time of the special meeting, thereafter the master agreement is terminated because the Ashland shareholders fail to approve the transactions and the transaction agreements and, within 15 months after such termination, Ashland enters into an agreement providing for, or completes, a competing proposal.

The Tax Matters Agreement (page 112)

The tax matters agreement addresses various tax issues relating to the transactions, including many customary issues that arise from separating members of a consolidated group through a spinoff, or combining companies in a merger. The tax matters agreement generally provides that New Ashland will file, and handle all administrative proceedings relating to, tax returns of the Ashland and New Ashland consolidated groups. Marathon will file, and handle all administrative proceedings relating to, tax returns of the Marathon consolidated group. The tax matters agreement provides that New Ashland will generally be responsible for the tax liabilities of the Ashland group of companies and the income taxes attributable to Ashland s interest in MAP before the acquisition merger. Marathon will be responsible for the tax liabilities of the Marathon group of companies and all of the taxes attributable to MAP after the acquisition merger. If the transactions result in a tax liability, notwithstanding the receipt of the Internal Revenue Service private letter rulings and/or tax opinions that are a condition to the closing of the transactions, then the tax will be paid by New Ashland unless it is primarily attributable to the breach by Marathon of certain covenants or representations and would not have been imposed in the absence of such breach, in which case the tax will be paid by Marathon. In addition, the tax matters agreement addresses certain issues that are unique to the transactions arising from the uncertainty concerning whether the tax deduction for certain contingent liabilities paid by New Ashland should be claimed by New Ashland or by Marathon.

Assignment and Assumption Agreements (page 114)

As part of the transactions, Ashland will contribute its maleic anhydride business to ATB Holdings under an assignment and assumption agreement. The maleic anhydride business consists of Ashland s maleic anhydride plant in Neal, West Virginia and its maleic anhydride marketing, distribution and sales operations. Under the agreement, Ashland will contribute to ATB Holdings specified real property, inventory, tangible personal property, intellectual property (including proprietary information and technology), permits, contracts, accounts receivable, records and other assets associated with the maleic anhydride business. ATB Holdings will assume from Ashland the liabilities associated with the assigned contracts and specified maleic anhydride product exchange agreements, as well as specified other liabilities relating to or arising out of the operation of the maleic anhydride business. Ashland will retain substantially all of the remaining liabilities of the maleic anhydride business as of the date of the closing of the transactions. Ashland has agreed not to compete with the maleic anhydride business for five years after the closing of the transactions. Ashland also has agreed to purchase substantially all of its requirements for maleic anhydride for the current capacity of Ashland s six existing manufacturing facilities in North America from Marathon for five years after the closing of the transactions.

As part of the transactions, Ashland will contribute 61 VIOC centers located in Michigan and northwest Ohio to ATB Holdings under an assignment and assumption agreement. The VIOC centers are engaged in the

business of marketing and selling quick-service engine oil change services, lubrication services, certain routine maintenance check services, preventive automotive maintenance services and related products and services. Under the agreement, Ashland will contribute to ATB Holdings specified real property, inventory, tangible personal property, permits, contracts, records and other assets associated with the VIOC centers business operations. ATB Holdings will assume from Ashland the liabilities associated with the assigned contracts and specified other liabilities relating to or arising out of the operation of the transferred assets. Ashland will retain substantially all of the remaining liabilities of the VIOC centers as of the date of the closing of the transactions. After the closing of the transactions, Marathon will operate the VIOC centers as a franchisee of Ashland under a series of franchise agreements.

Other Agreements (page 116)

On March 18, 2004, Ashland and National City Bank, the rights agent under Ashland s shareholder rights agreement, amended that agreement to render the rights (as defined in the rights agreement) inapplicable to the transactions contemplated by the master agreement.

Effective March 18, 2004, MAP s LLC agreement was amended to permit MAP to effect the partial redemption, to ensure that MAP has sufficient cash to effect the partial redemption and to address certain tax-related issues relating to the transactions.

Ashland and Marathon will enter into a maleic anhydride supply agreement under which Marathon will supply and Ashland will purchase substantially all of Ashland s requirements of maleic anhydride for the current capacity of Ashland s six existing manufacturing facilities in North America, subject to certain volume limits. The initial term of the agreement will be five years from the date of the closing of the transactions.

Ashland and Marathon will enter into a blanket license agreement that will make each of the 61 VIOC centers to be contributed by Ashland to ATB Holdings subject to Ashland s standard license agreement, licensee supply agreement and licensee sign and equipment lease, with certain modifications. The blanket license agreement also will contain a provision generally barring Ashland for five years from the closing of the transactions from operating company-owned VIOC centers at any location in Michigan and in specified counties in Ohio where Marathon s VIOC centers will be located. The term of the license for each VIOC center will be 15 years, with Marathon having the right to renew the license for two additional five-year terms.

Marathon will have the option to enter into a transition services agreement with Ashland under which, for a limited time, Ashland will perform specified support services relating to the maleic anhydride plant. The services to be provided include health, environmental and safety support services, accounting services and procurement services for various goods and services. The term of the agreement will be three months or such other term as may be agreed by the parties.

Comparison of Rights of Holders of Common Stock (page 128)

Upon the closing of the transactions, Ashland shareholders (other than those validly asserting dissenters rights) will own shares of New Ashland common stock and Marathon common stock. Ashland shareholders rights as shareholders of New Ashland common stock will be substantially similar to their existing rights as Ashland shareholders. Ashland shareholders rights as Marathon stockholders will be different from their rights as Ashland shareholders because of differences in the governing documents of Ashland and Marathon and differences in the laws of Kentucky and Delaware. These differences are described in detail under Comparison of Rights of Holders of Common Stock.

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Dividend Policies

The holders of Ashland common stock receive dividends if and when declared by the Ashland board of directors out of legally available funds. Ashland has paid a quarterly cash dividend of $0.275 per share of common stock in each fiscal quarter beginning with the fiscal quarter ended December 31, 1994. After the closing of the transactions, New Ashland expects to continue paying quarterly cash dividends on a basis consistent with Ashland s past practice. The declaration and payment of dividends, however, will depend upon a number of factors, including business conditions, New Ashland s financial condition and results of operations, capital and reserve requirements, covenants in New Ashland s debt instruments and New Ashland s board of directors consideration of other relevant factors. From the date of the closing of the transactions through the second anniversary of that date, New Ashland has agreed that, absent extraordinary and unanticipated circumstances, it will not pay any extraordinary dividends or distributions to its shareholders. Furthermore, from the date of the closing through the sixth anniversary of the closing date, New Ashland has agreed not to pay any dividend using proceeds from the transactions without Marathon s consent if, at the time of the declaration or payment, New Ashland is or would be (after giving effect to the payment) insolvent under any applicable fraudulent transfer or conveyance law as determined in good faith by the New Ashland board of directors.

The holders of Marathon common stock receive dividends if and when declared by the Marathon board of directors out of legally available funds. Marathon has paid a quarterly dividend of $0.25 per share of common stock in each fiscal quarter beginning with the fiscal quarter ended September 30, 2003. After the closing of the transactions, Marathon expects to continue paying quarterly cash dividends on a basis consistent with its past practice. The declaration and payment of dividends, however, will be subject to the approval of Marathon s board of directors, after consideration of a number of factors, including Marathon s financial condition and results of operations.

Selected Historical Financial Data of Ashland

The following is a summary of selected financial data of Ashland for each of the years in the five-year period ended September 30, 2003 and the six-month periods ended March 31, 2004 and March 31, 2003. The operating results for the six-month period ended March 31, 2004 are not necessarily indicative of results for the full fiscal year ending September 30, 2004. The selected financial data of Ashland has been derived from the audited consolidated financial statements and related notes of Ashland for each of the years in the five-year period ended September 30, 2003, and the unaudited consolidated financial statements for the six months ended March 31, 2004 and 2003. This information is only a summary and is qualified in its entirety by reference to, and should be read in conjunction with, the historical consolidated financial statements of Ashland and the related notes included in previous filings with the SEC and incorporated by reference into this proxy statement/prospectus.

Ashland Inc. and Consolidated Subsidiaries

	Six months ended March 31		Years Ended September 30				
(In millions except per share data)	**2004**	**2003**	**2003**	**2002**	**2001**	**2000**	**1999**
Sales and operating revenues	$ 3,735	$ 3,382	$ 7,518	$ 7,348	$ 7,528	$ 7,771	$ 6,623
Income (loss) from continuing operations	27	(38)	94	115	390	272	283
Per common share:							
Basic	0.39	(0.56)	1.37	1.67	5.60	3.84	3.85
Diluted	0.39	(0.56)	1.37	1.64	5.54	3.83	3.80

Total assets	6,902	6,869	7,006	6,722	7,128	6,824	6,475
Long-term debt (including current portion)	1,543	1,636	1,614	1,797	1,871	1,981	1,664
Cash dividends per common share	0.55	0.55	1.10	1.10	1.10	1.10	1.10

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Selected Unaudited Pro Forma Financial Data of New Ashland

The following selected unaudited pro forma financial data of New Ashland should be read in conjunction with the historical consolidated financial statements of Ashland and the related notes included in previous filings with the Securities and Exchange Commission and incorporated by reference into this proxy statement/prospectus and with the unaudited condensed pro forma financial statements and related notes included in this proxy statement/prospectus beginning on page 148. This information is based on the historical financial statements of Ashland and its consolidated subsidiaries, adjusted to give effect to the transactions, as well as the use of a portion of the proceeds to repay substantially all of Ashland s outstanding debt, purchase certain assets currently under operating leases, and repurchase certain accounts receivable sold under Ashland s sale of receivables program. The unaudited condensed pro forma income statements were adjusted to reflect these items as if they occurred at October 1, 2002. The unaudited condensed pro forma balance sheet reflects these items as if they occurred at March 31, 2004. In addition, the unaudited condensed pro forma balance sheet reflects the use of $100 million of proceeds from the transactions to fund a contribution to Ashland s pension plan at March 31, 2004. The pro forma adjustments are based on available information and certain assumptions that Ashland executive management believes are reasonable and are described in the related notes.

The selected unaudited pro forma financial data is provided for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the transactions had occurred on October 1, 2002 or March 31, 2004. You should not rely on the selected unaudited pro forma financial data as being indicative of the historical operating results that New Ashland would have achieved or any future operating results or financial position that it will experience after the transactions close.

New Ashland and Consolidated Subsidiaries

(In millions except per share data)	**Six months ended March 31 2004**	**Year ended September 30 2003**
Sales and operating revenues	$ 3,712	$ 7,467
Income (loss) from continuing operations	40	(12)
Per common share:		
Basic	0.57	(0.18)
Diluted	0.57	(0.18)
Total assets	5,629	
Long-term debt (including current portion)	1	

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Selected Historical Financial Data of Marathon

The following is a summary of selected financial data of Marathon for each of the years in the five-year period ended December 31, 2003 and the three-month periods ended March 31, 2004 and 2003. The selected financial data of Marathon has been derived from the audited consolidated financial statements and related notes of Marathon for each of the years in the five-year period ended December 31, 2003, and the unaudited consolidated financial statements for the three months ended March 31, 2004 and 2003. Prior to December 31, 2001, Marathon had two outstanding classes of common stock: USX Marathon Group common stock (Marathon common stock), which was intended to reflect the performance of Marathon s energy business, and USX U.S. Steel Group common stock (Steel stock), which was intended to reflect the performance of Marathon s steel business. This information is only a summary and is qualified in its entirety by reference to, and should be read in conjunction with, the historical consolidated financial statements and related notes of Marathon included in previous filings with the Securities and Exchange Commission and incorporated by reference into this proxy statement/prospectus.

	Three Months Ended March 31,		Year Ended December 31,				
(In millions except per share data)	2004	2003	2003	2002	2001	2000	1999
Total revenues and other income	$ 10,693	$ 10,099	$ 41,234	$ 31,555	$ 33,062	$ 33,486	$ 23,467
Income from continuing operations	258	285	1,012	507	1,405	435	621
Per common share basic and diluted	0.83	0.92	3.26	1.63	4.54	1.40	2.00
Total assets	20,491	18,737	19,482	17,812	16,129	17,151	17,730
Notes payable	76					80	
Long-term debt (including current portion)	4,128	4,449	4,357	4,571	3,647	2,085	3,368
Cash dividends per Marathon common stock share	0.25	0.23	0.96	0.92	0.92	0.88	0.84
Cash dividends per Steel stock share					0.55	1.00	1.00

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Selected Unaudited Pro Forma Financial Data of Marathon

The following selected unaudited pro forma financial data of Marathon should be read in conjunction with the historical consolidated financial statements of Marathon and the related notes included in previous filings with the Securities and Exchange Commission and incorporated by reference into this proxy statement/ prospectus and with the unaudited condensed pro forma financial statements and related notes included in this proxy statement/prospectus beginning on page 153. This information is based on the historical financial statements of Marathon adjusted to give effect to the transactions. The unaudited condensed pro forma balance sheet reflects the transactions as if they occurred on March 31, 2004. The unaudited condensed pro forma income statements were adjusted to reflect the transactions as if they occurred on January 1, 2003. The pro forma adjustments are based on available information and certain assumptions that Marathon executive management believes are reasonable and are described in the related notes. The selected unaudited pro forma financial data is provided for illustrative purposes only. Marathon may have performed differently had the transactions actually occurred on January 1, 2003. You should not rely on the selected unaudited pro forma financial data as being indicative of the historical results that Marathon would have achieved or the future results that it will experience after the transactions close.

(In millions except per share data)	Three Months Ended March 31, 2004	Year Ended December 31, 2003
Total revenues and other income	$ 10,712	$ 41,315
Income from continuing operations	262	1,177
Per common share:		
Basic	0.81	3.62
Diluted	0.80	3.62
Total assets	21,485	
Notes payable	1,976	
Long-term debt (including current portion)	4,128	

Comparative Per Share Information

The following table sets forth income from continuing operations, cash dividends and book value per common share amounts for Ashland and Marathon on a historical basis, New Ashland and Marathon on a pro forma basis after giving effect to the transactions and New Ashland on a pro forma basis per Ashland-equivalent common share after giving effect to the transactions. The historical per share information is derived from the audited financial statements as of and for the year ended September 30, 2003, in the case of Ashland, and December 31, 2003, in the case of Marathon, and the unaudited financial statements as of and for the six months ended March 31, 2004, in the case of Ashland, and the three months ended March 31, 2004, in the case of Marathon. The New Ashland pro forma per share data is derived from the New Ashland unaudited condensed pro forma financial statements and related notes included in this proxy statement/prospectus. See the sections of this proxy statement/prospectus entitled New Ashland Unaudited Condensed Pro Forma Financial Statements and Notes to New Ashland Unaudited Condensed Pro Forma Financial Statements beginning on pages 148 and 152, respectively, for a complete explanation of the New Ashland unaudited condensed pro forma financial statements. The Marathon pro forma per share data is derived from the Marathon unaudited condensed pro forma financial statements and related notes included in this proxy statement/prospectus. See the sections of this proxy statement/prospectus entitled Marathon Unaudited Condensed Pro Forma Financial Statements and Notes to Marathon Unaudited Condensed Pro Forma Financial Statements beginning on pages 153 and 157, respectively, for a complete explanation of the Marathon unaudited condensed pro forma financial statements. The New Ashland pro forma per Ashland-equivalent common share shows the effect of the transactions on a pro forma basis from the perspective of an owner of Ashland common stock. The New Ashland pro forma per Ashland-equivalent common share information for income from continuing operations and cash dividends is

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computed by multiplying relevant Marathon pro forma per share information for the six months ended March 31, 2004 provided by Marathon to Ashland by an exchange ratio of 0.192372 and adding this to the relevant New Ashland pro forma per share information. This exchange ratio is calculated pursuant to the terms of the master agreement as if the closing of the transactions occurred on October 1, 2002. The New Ashland pro forma per Ashland-equivalent common share information for book value per common share is computed by multiplying relevant Marathon pro forma per share information for the six months ended March 31, 2004 provided by Marathon to Ashland by an exchange ratio of 0.131121 and adding this to the relevant New Ashland pro forma per share information. This exchange ratio is calculated pursuant to the terms of the master agreement as if the closing of the transactions occurred on March 31, 2004.

You should read the information below together with the financial statements and related notes of Ashland and Marathon contained in the annual reports and other information that has been filed with the SEC and incorporated by reference in this proxy statement/prospectus and with the unaudited condensed pro forma financial statements referred to above. See Where You Can Find More Information on page 160.

	Six Months Ended March 31, 2004	Year Ended September 30, 2003
Ashland historical data, per common share		
Income from continuing operations basic	$ 0.39	$ 1.37
Income from continuing operations diluted	$ 0.39	$ 1.37
Cash dividends	$ 0.55	$ 1.10
Book value at end of period	$ 33.26	
New Ashland pro forma data per common share		
Income (loss) from continuing operations basic	$ 0.57	($ 0.18)
Income (loss) from continuing operations diluted	$ 0.57	($ 0.18)
Cash dividends	$ 0.55	$ 1.10
Book value at end of period	$ 41.72	

	Three Months Ended March 31, 2004	Year Ended December 31, 2003
Marathon historical data per common share		
Income from continuing operations basic	$ 0.83	$ 3.26
Income from continuing operations diluted	$ 0.83	$ 3.26
Cash dividends	$ 0.25	$ 0.96
Book value at end of period	$ 21.05	
Marathon pro forma data per common share		
Income from continuing operations basic	$ 0.81	$ 3.62
Income from continuing operations diluted	$ 0.80	$ 3.62
Cash dividends	$ 0.25	$ 0.96
Book value at end of period	$ 21.40	

	Six Months Ended March 31, 2004	Year Ended September 30, 2003
New Ashland pro forma data per Ashland-equivalent common share		
Income from continuing operations basic	$ 0.85	$ 0.52
Income from continuing operations diluted	$ 0.85	$ 0.52
Cash dividends	$ 0.65	$ 1.28
Book value at end of period	$ 44.53	

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Comparative Per Share Market Price and Dividend Information

Shares of Ashland common stock are listed for trading on the New York Stock Exchange and the Chicago Stock Exchange under the symbol ASH, and shares of Marathon common stock are listed for trading on the New York Stock Exchange, the Chicago Stock Exchange and the Pacific Stock Exchange under the symbol MRO. The following table sets forth the high, low and last reported sale prices per share of Ashland common stock and Marathon common stock, as reported on the New York Stock Exchange Composite Transactions Tape on March 18, 2004, the last full trading day prior to the public announcement of the transactions, and on , 2004, the last trading day that this information could be calculated prior to the date of this proxy statement/prospectus.

	Ashland Common Stock			Marathon Common Stock		
	High	Low	Close	High	Low	Close
March 18, 2004	$ 46.82	$ 46.15	$ 46.71	$ 35.47	$ 34.92	35.41
, 2004						

The following table sets forth, for the periods indicated, cash dividends and the high and low sales prices per share of Ashland common stock and Marathon common stock, as reported on the New York Stock Exchange Composite Transactions Tape. This table does not include information related to Steel stock. For current price information, you should consult publicly available sources.

	Ashland Common Stock			Marathon Common Stock		
	High	Low	Dividends Paid	High	Low	Dividends Paid
CALENDAR PERIOD						
2000						
First Quarter	$ 35.63	$ 28.63	$ 0.275	$ 27.25	$ 20.69	$ 0.21
Second Quarter	37.06	31.19	0.275	29.19	22.81	0.21
Third Quarter	37.19	31.44	0.275	29.63	23.50	0.23
Fourth Quarter	36.24	30.63	0.275	30.38	25.25	0.23
2001						
First Quarter	41.35	34.39	0.275	29.99	25.85	0.23
Second Quarter	44.25	37.15	0.275	33.73	26.23	0.23
Third Quarter	44.05	35.53	0.275	32.75	24.95	0.23
Fourth Quarter	46.54	37.60	0.275	30.35	25.27	0.23
2002						
First Quarter	46.98	43.04	0.275	30.30	26.85	0.23
Second Quarter	45.61	37.11	0.275	29.90	25.61	0.23
Third Quarter	41.20	26.29	0.275	27.20	21.01	0.23
Fourth Quarter	30.70	23.60	0.275	23.47	18.82	0.23
2003						
First Quarter	30.37	25.91	0.275	24.30	19.85	0.23
Second Quarter	33.85	28.66	0.275	27.20	22.48	0.23
Third Quarter	34.51	30.27	0.275	29.47	24.92	0.25

Fourth Quarter	44.55	33.22	0.275	33.61	28.50	0.25
2004						
First Quarter	52.20	43.73	0.275	36.31	30.30	0.25
Second Quarter (through June 18, 2004)	53.35	44.25	0.275	36.75	32.00	0.25

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RISK FACTORS

In addition to the other information included in the section of this proxy statement/prospectus entitled Disclosure Regarding Forward-Looking Statements or incorporated by reference in this proxy statement/prospectus and the risks that apply to most businesses, including risks of competition, market conditions, availability of supplies, foreign exchange, product liability in excess of insurance and reliance on employees, you should consider carefully the matters described below in determining whether to vote to approve the transactions and the transaction agreements.

Risks Related to the Transactions

There are significant conditions that may delay the closing of the transactions. Any delay may diminish the anticipated benefits of the transactions.

The transactions are subject to a number of conditions that must be satisfied or waived before the transactions can be closed. While both Ashland and Marathon anticipate closing the transactions by the end of the calendar year 2004, they cannot guarantee when, or whether, the transactions will be closed. The closing of the transactions is subject to a number of conditions, including, among other things:

- the approval of the transactions and the transaction agreements by Ashland s shareholders;
- Ashland s and Marathon s receipt and the continuing effectiveness of favorable private letter rulings from the Internal Revenue Service relating to the tax treatment of several aspects of the transactions, as described in this proxy statement/prospectus;
- Ashland s and Marathon s receipt of tax opinions covering specified matters relating to the transactions;
- Ashland s and Marathon s receipt of updates of opinions as to the solvency of Ashland, New Ashland and MAP; and
- Ashland s receipt of irrevocable consents to the transactions from at least 90% of the aggregate principal amount of all series of debt issued under its indenture dated as of August 15, 1989, as amended (with the consent of 66 $^{2}/3$% or more of the aggregate principal amount of a series constituting the consent for the entire series and the consent of less than 66 $^{2}/3$% of any series not being considered the consent for any debt of that series).

See the section of this proxy statement/prospectus entitled The Master Agreement Conditions to Closing of the Transactions. Any delay in the closing of the transactions could diminish the anticipated benefits of the transactions or result in additional transaction costs or other effects associated with uncertainty about the transactions. In addition, until the transactions are closed, the attention of Ashland and Marathon executive management may be diverted from ongoing business concerns and regular business responsibilities to the extent executive management is focused on matters relating to the transactions.

Regulatory agencies may prevent the closing of the transactions by failing to give required approvals or may delay or impose conditions on the closing of the transactions, which may diminish the anticipated benefits of the transactions.

The closing of the transactions is conditioned on the receipt of favorable private letter rulings from the Internal Revenue Service regarding the tax-free nature of the transactions and other specified tax issues described in this proxy statement/prospectus. While we intend to pursue vigorously all required governmental approvals, the requirement to receive these approvals before the transactions are closed could prevent or delay the closing of the transactions, possibly for a significant period of time after Ashland shareholders have approved the transactions and the transaction agreements at the special meeting. In addition, these governmental agencies may attempt to condition their approval of the transactions on the imposition of conditions that could have a material

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adverse effect on Ashland s or Marathon s operating results or the value of New Ashland s or Marathon s common stock after the closing of the transactions. See the section of this proxy statement/prospectus entitled The Transactions Regulatory Matters for a description of the regulatory approvals necessary in connection with the transactions.

Failure to close the transactions may cause Ashland s stock price to decline.

If the closing of the transactions does not occur for any reason, Ashland s stock price may decline:

- to the extent that the current market price of Ashland common stock reflects a positive market assumption that the transactions will close; and
- because of market speculation as to the reasons the transactions did not close.

In addition, under certain circumstances, Ashland may be required to pay to Marathon the $30 million termination fee and the $10 million expense reimbursement.

New Ashland will be liable for taxes resulting from the transactions, if any, even if the favorable private letter rulings and tax opinions are received.

It is possible that the transactions could result in a tax liability, including a tax liability under Section 355(e) of the Internal Revenue Code, even if the favorable private letter rulings and tax opinions described in this proxy statement/prospectus are received. The terms of the tax matters agreement require New Ashland to pay this tax liability, unless it is attributable to the breach by Marathon of specified covenants or representations in the tax matters agreement, including the promises by Marathon not to make certain capital contributions to MAP or to allow MAP to incur certain borrowings.

Ashland could incur material U.S. Federal income tax liabilities in connection with the transactions.

Even if the favorable private letter rulings and tax opinions described in the proxy statement/prospectus are received, the transactions could nevertheless be taxable to Ashland (including, as described below, under Section 355(e) of the Internal Revenue Code) under certain circumstances. Although such private letter rulings would generally be binding on the Internal Revenue Service, their continuing validity would be subject to the accuracy of certain factual representations and assumptions described in the ruling request and private letter rulings. If any of those factual representations or assumptions made were later found to be inaccurate, Ashland could become liable for tax as a result of the transactions. In addition, any tax opinions received by Ashland and Marathon with regard to the transactions would not be binding on the Internal Revenue Service or the courts and will be based on, among other things, current law and various representations as to factual matters made by Ashland and Marathon, which, if incorrect, could jeopardize the conclusions reached by the advisors of Ashland and Marathon in their opinions. Furthermore, under Section 355(e) of the Internal Revenue Code, if the value of the shares of New Ashland common stock exceeds Ashland s tax basis in the New Ashland common stock on the date of the acquisition merger, Ashland will recognize taxable capital gain equal to that excess.

Ashland s expected tax basis in the common stock of New Ashland at the time of the acquisition merger cannot be determined with precision at this time, because it depends in part on the amount of taxable income Ashland generates before the closing of the transactions. However, Ashland has estimated that its basis in the New Ashland common stock will be approximately $51.00 per share on that date. Thus, if the combined value of the consideration to be received by the Ashland shareholders is above approximately $ per share on the date of the acquisition merger (approximately $51.00 of New Ashland common stock and approximately $ of Marathon common stock), Ashland will be required to pay tax under Section 355(e). Under the tax matters agreement, New Ashland must pay any Section 355(e) tax resulting from the transactions and must indemnify Marathon against any such tax.

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The amount of any Section 355(e) tax will depend in part on the fair market value of the New Ashland common stock on the date of the acquisition merger. Each dollar by which the New Ashland stock price on the acquisition merger date exceeds the tax basis in such stock, presently estimated to be $51.00 per share, will result in approximately $71 million of increased pre-tax market value for New Ashland (based on approximately 71 million outstanding shares) and a tax liability of approximately $28 million. See the section of this proxy statement/prospectus entitled The Transactions Material U.S. Federal Income Tax Consequences of the Transactions.

If Ashland does not receive consent to the transactions from holders of the requisite amount of each series of its public debt, Ashland may have a right to terminate the transactions or, if it is required or elects to proceed with the transactions, may be determined to have violated, or may be unable to comply with, certain restrictions in the terms of its public debt. Any failure to close the transactions could have an adverse impact on Ashland s stock price, and any failure to obtain consent from a series of public debt could result in significant additional costs and adversely impact Ashland s ability to obtain future financing.

The transactions are conditioned on Ashland obtaining the consents or deemed consents, or having defeased, purchased, retired or acquired debt, of series representing at least 90% in aggregate principal amount outstanding of the debt issued under its indenture dated as of August 15, 1989, as amended (the Ashland Public Indenture). At March 31, 2004, there was an aggregate of approximately $1,328,130,000 of such public debt outstanding. Ashland has the unilateral right to waive this condition. If Ashland does not receive the required consents and has used its reasonable best efforts to obtain the consents by the outside date for closing, it will have the right to terminate the transactions, which could cause Ashland s stock price to decline. If Ashland receives the required consents but any one or more series of Ashland public debt does not consent to the transaction, or if Ashland does not receive the required consents and elects to waive the debt consent condition to the transactions, there is a risk that holders of a non-consenting series may assert the transactions fail to comply with the terms of the Ashland Public Indenture, or a risk that Ashland will be unable to comply with certain requirements of the Ashland Public Indenture in connection with the transactions. If the transactions are completed without the consent of each series of public debt and holders of Ashland public debt were to assert successfully that completing the transactions as currently structured failed to comply with the terms of Ashland s public debt, or if Ashland is unable to comply with any such requirements, then Ashland could be in default under the Ashland Public Indenture, which could result in such indebtedness and other indebtedness of Ashland being in default and accelerated. Although following completion of the transactions Ashland should have sufficient funds from the transactions to repay any such indebtedness that becomes due, Ashland may be required to incur significant additional transaction costs, including to defend any legal action by holders of such indebtedness. In addition, any determination that Ashland failed to comply with the terms of its public debt could adversely impact Ashland s ability to obtain future financing, particularly in the public markets.

New Ashland s creditors or their representatives could challenge the transactions as a fraudulent transfer or conveyance under certain circumstances.

In a bankruptcy case or lawsuit initiated by one or more creditors or a representative of creditors of New Ashland after the closing of the transactions, a court may review the transactions under the fraudulent transfer provisions of the U.S. Bankruptcy Code and comparable provisions of state fraudulent transfer or conveyance laws. Under these laws, the transactions could be avoided if the court determined that the transactions were undertaken for the purpose of hindering, delaying or defrauding creditors or that the transactions were constructively fraudulent.

Under the U.S. Bankruptcy Code and the laws of most states, the transactions could be held to be constructively fraudulent if the court determined that:

- Ashland (or New Ashland) received less than reasonably equivalent value or, in some jurisdictions, less than fair consideration ; and

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Ashland (or New Ashland):

- was insolvent at the time of the transfer or was rendered insolvent by the transfer;
- was engaged, or was about to engage, in a business or transaction for which its remaining property constituted unreasonably small capital; or
- intended to incur, or believed it would incur, debts beyond its ability to pay as those debts matured.

The measure of insolvency for purposes of the fraudulent transfer or conveyance statutes will vary depending on the law of the jurisdiction that is being applied. Generally, however, an entity is considered insolvent if either:

- the sum of its liabilities, including contingent liabilities, is greater than its assets, at a fair valuation; or
- the present fair saleable value of its assets is less than the amount required to pay the probable liability on its total existing debts and liabilities, including contingent liabilities, as they become absolute and matured.

With regard to the reasonably equivalent value or fair consideration element of constructive fraud, case law establishes that indirect economic benefits, such as tax savings, may be taken into account in determining value, but the overall determination of value is to be made from the standpoint of the transferor s creditors. As a result, in a transaction involving a transfer where the transferor receives less than all the consideration being paid by the transferee, there is a possibility that, in the context of a later bankruptcy filing by the transferor or in various other contexts, a claim could be made based on allegations of a constructively fraudulent transfer.

In the transactions, $315 million will be delivered to Ashland shareholders (in the form of shares of Marathon common stock) and not to Ashland or New Ashland. In order to help establish that Ashland and New Ashland will receive reasonably equivalent value or fair consideration from Marathon in the transactions, Marathon has obtained a written opinion from a nationally recognized solvency appraisal firm, AAA, to the effect that Ashland and New Ashland will receive amounts that will be reasonably equivalent to the combined value of Ashland s interest in MAP, the maleic anhydride business and the 61 VIOC centers. Marathon intends to have this opinion updated as of the closing of the transactions (although receipt of that updated opinion is not a condition to the closing), and Marathon has the right to increase the consideration that MAP will pay in the partial redemption if Marathon determines that Ashland and New Ashland would not otherwise receive reasonably equivalent value. However, the valuation of any business involves numerous assumptions and uncertainties. Accordingly, a court could reach a different result than AAA and find that Ashland and New Ashland did not receive reasonably equivalent value or fair consideration in the transactions.

In order to address the insolvency element outlined above, Ashland and Marathon have each obtained opinions, from Houlihan Lokey and AAA, respectively, based on the information provided to each firm and subject to specified assumptions, including assumptions relating to Ashland s asbestos-related liabilities and its insurance coverages. AAA s opinion addressed Ashland s satisfaction of specified solvency-related tests before the transactions, and New Ashland s satisfaction of specified solvency-related tests immediately after the transactions. Houlihan Lokey s opinion addressed New Ashland s satisfaction of specified solvency-related tests immediately after the transactions. These opinions will be updated as of the closing of the transactions, and the closing of the transactions is conditioned on receipt of these updated opinions. However, a determination of solvency involves numerous assumptions and uncertainties, particularly when the determination involves assessments with respect to the valuation of asbestos-related liabilities and other contingent liabilities, as well as insurance recoveries. Accordingly, it is possible that a court would find that Ashland was insolvent before the transactions, or that New Ashland was rendered insolvent by the transactions.

We cannot say with certainty that the contractual protections and third-party opinions built into the transactions relating to fraudulent transfer issues will be sufficient to prevail in any subsequent challenge relating to these issues. If the acquisition were found to be a fraudulent transfer, Marathon might be required to provide additional consideration to New Ashland or to return to New Ashland a portion of the interest in MAP.

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The master agreement contains provisions that may discourage companies from trying to acquire Ashland.

The master agreement contains provisions that may discourage a third party from submitting a business combination proposal to Ashland or otherwise seek to acquire Ashland in a transaction that might result in greater value to Ashland shareholders than the transactions or that an Ashland shareholder may consider in his or her best interest. In addition, the no solicitation provisions in the master agreement prohibit Ashland from soliciting any competing business combination proposal relating to Ashland. If the master agreement is terminated by Ashland or Marathon in circumstances that obligate Ashland to pay to Marathon the $30 million termination fee and the $10 million expense reimbursement fee, Ashland s financial condition will be adversely affected as a result of the payment of these fees, which might deter third parties from proposing alternative business combination proposals. See the section of this proxy statement/prospectus entitled The Transactions The Master Agreement Termination; Effect of Termination; Termination Fees.

Risks Related to New Ashland and its Business

New Ashland has no operating history as an independent company and will not have access to the cash flow from the businesses transferred to Marathon.

New Ashland, in the form in which it will exist after the closing of the transactions, does not have an independent history as a stand-alone public company. The interest in MAP, the maleic anhydride business and the 61 VIOC centers have generated funds from operations that have been used in the businesses that will be operated by New Ashland and for Ashland s general corporate purposes. Following the closing of the transactions, New Ashland will not have access to the cash flow from the interest in MAP, the maleic anhydride business or the 61 VIOC centers.

The actual financial position and results of operations of New Ashland may differ significantly and adversely from the pro forma amounts reflected in this proxy statement/prospectus.

Assuming the closing of the transactions, the actual financial position and results of operations of New Ashland may differ, perhaps significantly and adversely, from the pro forma amounts reflected in the New Ashland Unaudited Pro Forma Combined Condensed Financial Statements included in this proxy statement/prospectus due to a variety of factors, including access to additional information, changes in value not currently identified and changes in operating results between the date of the pro forma financial data and the date of the closing of the transactions.

New Ashland will be responsible for Ashland s liabilities from claims alleging personal injury caused by exposure to asbestos.

Ashland is subject to liabilities from claims alleging personal injury caused by exposure to asbestos. These claims result primarily from indemnification obligations undertaken in 1990 in connection with the sale of Riley Stoker Corporation, a former subsidiary. Although Riley Stoker was neither a producer nor a manufacturer of asbestos, its industrial boilers contained some asbestos-containing components provided by other companies. As a result of the transactions, New Ashland will succeed to these liabilities and the related reserves of Ashland.

A summary of asbestos claims activity follows. Because claims are frequently filed and settled in large groups, the amount and timing of settlements, as well as the number of open claims, can fluctuate significantly from period to period.

Since October 1, 2000, Riley Stoker has been dismissed as a defendant in 72% of the resolved claims. Amounts spent on litigation defense and claim settlements totaled $24 million for the six months ended March 31, 2004, compared to $26 million for the six months ended March 31, 2003 and annual costs of $45 million in 2003, $38 million in 2002 and $15 million in 2001.

During the December 2002 quarter, Ashland increased its reserve for litigation defense and claims settlement costs related to asbestos claims by $390 million. After that increase, Ashland s asbestos reserve covered the costs expected to be paid through December 2012, and additional reserves have been provided since then to maintain the reserve to cover the expected costs on a rolling ten-year basis. Prior to December 31, 2002, the asbestos reserve was based on the estimated costs that would be incurred to settle open claims. The estimates of future asbestos claims and related costs were developed with the assistance of Hamilton, Rabinovitz & Alschuler, Inc. (HR&A), nationally recognized experts in the field of asbestos claims estimation. Ashland s reserve for asbestos claims on an undiscounted basis amounted to $615 million at March 31, 2004, compared to $580 million at March 31, 2003.

The methodology HR&A used to project future asbestos costs was based largely on Ashland s recent experience, including claims-filing and settlement rates, disease mix, open claims, and litigation defense and claim settlement costs. Ashland s claims experience was compared to the results of previously conducted epidemiological studies estimating the number of people likely to develop asbestos-related diseases. Those studies were undertaken in connection with national analyses of the population expected to have been exposed to asbestos. Using that information, HR&A estimated the number of future claims that would be filed, as well as the related costs that would be incurred in resolving those claims.

Projecting future asbestos costs is subject to numerous variables that are extremely difficult to predict. In addition to the significant uncertainties surrounding the number of claims that might be received, other variables include the type and severity of the disease alleged by each claimant, the long latency period associated with diseases attributable to asbestos exposure, dismissal rates, costs of medical treatment, the impact of bankruptcies of other companies that are co-defendants in claims, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, and the impact of potential changes in legislative or judicial standards. Furthermore, any predictions with respect to these variables are subject to even greater uncertainty as the projection period lengthens. In light of these inherent uncertainties, Ashland believes that ten years is the most reasonable period for recognizing a reserve for future costs and that costs that might be incurred after that period are not reasonably estimable.

Ashland has insurance coverage for most of the litigation defense and claims settlement costs incurred in connection with its asbestos claims, and coverage-in-place agreements exist with the insurance companies that provide substantially all of the coverage currently being accessed. As a result, increases in the asbestos reserve have been largely offset by probable insurance recoveries. The amounts not recoverable are generally due from insurers that are insolvent, rather than as a result of uninsured claims or the exhaustion of Ashland s insurance coverage.

Ashland retained the services of Tillinghast-Towers Perrin to assist Ashland s management in the estimation of probable insurance recoveries. Ashland s estimated recoveries are based on assumptions and estimates surrounding the available insurance coverage, one assumption of which is that all solvent insurance carriers will remain solvent. Although coverage limits are resolved in the coverage-in-place agreement with Equitas Limited (Equitas) and other London companies, which collectively provide a significant portion of Ashland s insurance coverage for asbestos claims, there is a disagreement with these companies over the timing of recoveries. The resolution of this disagreement could have a material effect on the value of insurance recoveries from those companies. In estimating the value of future recoveries, Ashland has used the least favorable interpretation of this agreement, which results in a significant discount being applied to value those recoveries. Ashland and New Ashland will continue to apply this methodology until such time as the disagreement is resolved.

At March 31, 2004, Ashland s receivable for recoveries of litigation defense and claims settlement costs from its insurers amounted to $426 million, of which $29 million relates to costs previously paid. Receivables from insurance companies amounted to $419 million at March 31, 2003. About 35% of the estimated receivables from insurance companies at March 31, 2004, are expected to be due from Equitas and other London companies. Of the remainder, over 90% is expected to come from companies or groups that are rated A or higher by A. M. Best.

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New Ashland will be responsible for Ashland s other liabilities.

As a result of the transactions, New Ashland will be responsible for all of the asbestos-related liabilities, substantially all of the environmental liabilities (other than certain liabilities relating to MAP) and other liabilities of Ashland and its subsidiaries other than liabilities incurred by ATB Holdings in connection with the transactions. These liabilities could have an adverse effect on New Ashland.

Additionally, claimants might seek to hold Marathon liable for obligations of New Ashland. New Ashland has agreed to indemnify Marathon for liabilities and costs that Marathon may incur relating to New Ashland s liabilities (other than certain liabilities relating to MAP). If New Ashland incurs expenses under this indemnification obligation, these expenses could have an adverse effect on New Ashland. See the section of this proxy statement/prospectus entitled The Master Agreement Indemnification.

New Ashland will have limited use of the proceeds from the partial redemption and the capital contribution to pay dividends or other distributions or complete share purchases.

Ashland and New Ashland have represented to Marathon that, as of March 18, 2004, the date of the signing of the master agreement, Ashland has, and as of the date of the closing of the transactions New Ashland will have, no intention to declare a dividend or distribution (other than consistent with historical dividends) or to complete a share repurchase using proceeds received from the partial redemption or the capital contribution, and that Ashland intends and New Ashland will intend to use the proceeds from the capital contribution, either at closing or as soon as reasonably practicable after the closing, to repurchase, repay or defease outstanding indebtedness and to pay, or make payments in connection with the termination or renegotiation of, certain other financial obligations. The cash proceeds from the partial redemption may be used for general corporate purposes, which may include the funding of pension obligations and expanding its business through both internal growth and future business acquisitions.

From the date of the closing of the transactions through the second anniversary of that date, New Ashland has agreed that, absent extraordinary and unanticipated circumstances, it will not pay any extraordinary dividends or distributions to its shareholders. In addition, from the date of the closing of the transactions through the sixth anniversary of the closing, New Ashland has agreed not to pay any dividend or other distribution or repurchase shares of its common stock using proceeds received from the transactions without the consent of Marathon if, at the time of the declaration or payment, New Ashland is or would be (after giving effect to the payment) insolvent under any applicable fraudulent transfer or conveyance law as determined in good faith by New Ashland s board of directors in accordance with its fiduciary duties under applicable law.

New Ashland may not be able to successfully use the proceeds of the partial redemption in a value-generating manner.

New Ashland may use the cash proceeds from the partial redemption for general corporate purposes, which may include the funding of pension obligations and expanding its business through both internal growth and future business acquisitions. New Ashland may not be able to successfully identify uses for those proceeds that will generate value for New Ashland and its shareholders. In connection with possible future business acquisitions, the process of integrating acquired operations into New Ashland s existing operations may result in unforeseen operating difficulties and may require significant financial resources that would otherwise be available for the ongoing development or expansion of its business.

Environmental and health and safety liabilities and requirements could materially increase the operating costs of New Ashland s businesses, particularly its chemical businesses.

Ashland is, and New Ashland will be, subject to various U.S. and foreign laws and regulations relating to environmental protection and worker health and safety. These laws and regulations regulate discharges of pollutants into the air and water, the management and disposal of hazardous substances and the cleanup of contaminated properties. The costs of complying with these laws and regulations can be substantial and may increase as applicable requirements become more stringent and new rules are implemented. If New Ashland violates the requirements of these laws and regulations, it may be forced to pay substantial fines, to complete additional costly projects, or to modify or curtail its operations to limit contaminant emissions.

After the transactions, New Ashland will be responsible for substantially all of the environmental liabilities (other than certain liabilities relating to MAP) and other liabilities of Ashland and its subsidiaries. Ashland is currently investigating and remediating a number of its current and former properties. At March 31, 2004, such locations included 99 waste treatment or disposal sites where Ashland has been identified as a potentially responsible party under Superfund or similar state laws, approximately 130 current and former operating facilities (including certain facilities conveyed to MAP) and about 1,220 service station properties. Ashland s reserves for environmental remediation amounted to $169 million at March 31, 2004 and reflect its estimates of the most likely costs that will be incurred over an extended period to remediate identified conditions for which the costs are reasonably estimable, without regard to any third-party recoveries. Engineering studies, probability techniques, historical experience and other factors are used to identify and evaluate remediation alternatives and their related costs in determining the estimated reserves for environmental remediation. Environmental remediation reserves are subject to numerous inherent uncertainties that affect Ashland s ability to estimate its share of the costs. Such uncertainties involve the nature and extent of contamination at each site, the extent of required cleanup efforts under existing environmental regulations, widely varying costs of alternate cleanup methods, changes in environmental regulations, the potential effect of continuing improvements in remediation technology, and the number and financial strength of other potentially responsible parties at multiparty sites. Ashland regularly adjusts its reserves as remediation continues.

Several of New Ashland s businesses are cyclical in nature, and economic downturns or declines in demands for certain durable goods may reduce its profit margins and limit its ability to generate revenues.

The profitability of New Ashland s businesses is susceptible to downturns in the economy, particularly downturns in the segments of the U.S. economy related to the purchase and sale of durable goods, including the housing, construction, automotive, marine and semiconductor industries. Both overall demand for New Ashland s products and its profit margins may decline as a direct result of an economic recession, inflation, changes in the prices of hydrocarbons and other raw materials, consumer confidence, interest rates or governmental fiscal policies. In addition, New Ashland may experience significant changes in its profitability as a result of variations in sales, changes in product mix or pricing competition.

Adverse changes in prevailing climate or weather may negatively affect the performance of some of New Ashland s operations.

Extreme variations from normal climatic conditions could have a significant effect on the operating results of APAC s construction operations. In particular, unfavorable weather conditions could delay the completion of construction projects, and may require the use of additional resources. In addition, certain of the products sold by Valvoline are seasonal in nature, and thus demand for those products may decline due to significant changes in prevailing climate and weather conditions.

New Ashland s financing costs may be higher than Ashland s financing costs.

Following the transactions, New Ashland will have to raise financing with the support of a reduced pool of less diversified assets, and New Ashland may not be able to secure adequate debt or equity financing on desirable terms. The cost to New Ashland of financing without the 38% interest in MAP, the maleic anhydride business and the 61 VIOC centers could be higher than the cost of financing with these businesses as part of Ashland.

The credit rating of New Ashland following the closing of the transactions may be different from the current ratings of Ashland. Differences in credit ratings affect the interest rate charged on financings, as well as the

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amounts of indebtedness, types of financing structures and debt markets that may be available to New Ashland following the transactions. New Ashland may not be able to raise the capital it requires on favorable terms following the closing of the transactions.

No prior market exists for New Ashland common stock.

There is no current public trading market for New Ashland common stock. New Ashland will apply to list its common stock on the New York Stock Exchange and the Chicago Stock Exchange.

We cannot predict the prices at which New Ashland common stock may trade. Such trading prices will be determined by the marketplace and may be influenced by many factors, including the depth and liquidity of the market for such shares, investor perceptions of New Ashland and the industries in which it participates, New Ashland s dividend policy and general economic and market conditions. Until an orderly market develops, the trading prices for these shares may fluctuate significantly.

The New Ashland common stock will be freely transferable, except for shares received by Ashland affiliates, as that term is defined under the Securities Act. See the section of this proxy statement/prospectus entitled The Transactions Restrictions on Resales by Affiliates.

New Ashland may issue preferred stock whose terms could adversely affect the voting power or value of its common stock.

New Ashland s articles of incorporation to be in effect upon the completion of the transactions, which will be substantially similar to Ashland s third restated articles of incorporation, will authorize it to issue, without the approval of its shareholders, one or more classes or series of preferred stock having such preferences, powers and relative, participating, optional and other rights, including preferences over its common stock respecting dividends and distributions, as its board of directors generally may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of New Ashland s common stock. For example, New Ashland could grant holders of preferred stock the right to elect some number of its directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences New Ashland could assign to holders of preferred stock could affect the residual value of its common stock. See the section of this proxy statement/prospectus entitled Description of New Ashland Capital Stock Preferred Stock.

Provisions of New Ashland s articles of incorporation and by-laws, its rights agreement and Kentucky law could deter takeover attempts that some shareholders may consider desirable, which could adversely affect New Ashland s stock price.

Provisions of New Ashland s articles of incorporation and by-laws to be in effect upon the closing of the transactions, which will be substantially similar to Ashland s third restated articles of incorporation and by-laws, respectively, will make acquiring control of New Ashland without the support of its board of directors difficult for a third party, even if the change of control would be beneficial to New Ashland shareholders. New Ashland s articles of incorporation and by-laws to be in effect upon the closing of the transactions will contain:

- provisions relating to the classification, nomination and removal of its directors;

provisions limiting the right of shareholders to call special meetings of its board of directors and shareholders;

provisions regulating the ability of its shareholders to bring matters for action at annual meetings of its shareholders; and

the authorization given to its board of directors to issue and set the terms of preferred stock.

In addition, New Ashland will succeed to Ashland s shareholder rights agreement, which would cause extreme dilution to any person or group who attempts to acquire a significant interest in New Ashland without advance approval of its board of directors. New Ashland s articles of incorporation to be in effect upon the completion of the transactions and the laws of Kentucky would impose some restrictions on mergers and other business combinations between Ashland and any beneficial owner of 10% or more of the voting power of its outstanding common stock. The existence of these provisions may deprive you of any opportunity to sell your shares at a premium over the prevailing market price for New Ashland common stock. The potential inability of New Ashland shareholders to obtain a control premium could adversely affect the market price for its common stock. See the sections of this proxy statement/prospectus entitled Description of Common Stock of New Ashland and Comparison of the Rights of Holders of Common Stock for a description of these and other provisions.

Risks Related to Marathon and its Business

In connection with the separation of United States Steel Corporation from Marathon, United States Steel has various financial and other obligations that its failure to perform could materially adversely affect Marathon.

In connection with the separation of United States Steel from Marathon, United States Steel agreed to hold Marathon harmless from and against various liabilities, including (amounts as of March 31, 2004):

- $470 million of industrial revenue bonds related to environmental improvement projects for current and former United States Steel facilities, with maturities ranging from 2009 through 2033 (accrued interest payable on those bonds was $8 million as of March 31, 2004);
- $76 million of sale-leaseback financing obligations under a lease for equipment at United States Steel s Fairfield Works, with a term extending to 2012, subject to extensions (accrued interest payable on that financing was $2 million as of March 31, 2004);
- $59 million of obligations under a lease for equipment at United States Steel s Clairton coke-making facility, with a term extending to 2012 (accrued interest payable on this financing was $2 million as of March 31, 2004);
- $61 million of operating lease obligations, of which $45 million was in turn assumed by purchasers of major equipment used in plants and operations divested by United States Steel;
- a guarantee of United States Steel s $14 million contingent obligation to repay certain distributions from its 50% owned joint venture PRO-TEC Coating Company;
- a guarantee of all obligations of United States Steel as general partner of Clairton 1314B Partnership, L.P. to the limited partners of that partnership (United States Steel had no unpaid outstanding obligations to those limited partners as of March 31, 2004); and
- any federal income tax liabilities that may arise from the separation through any fault of United States Steel.

If United States Steel fails to perform under these agreements, Marathon s claims against United States Steel would constitute general unsecured claims, effectively subordinate to the claims of secured creditors of United States Steel.

United States Steel also must use commercially reasonable efforts to have Marathon released from its obligations under a guarantee Marathon provided with respect to all of United States Steel s obligations under a partnership agreement among United States Steel, as general partner, and General Electric Credit Corporation of Delaware and Southern Energy Clairton, LLC, as limited partners. United States Steel may dissolve the partnership under certain circumstances including if it is required to fund accumulated cash shortfalls of the partnership in excess of $150 million. In addition to the normal commitments of a general partner, United States Steel has indemnified the limited partners for certain income tax exposures. If United States Steel fails to fulfill these obligations, Marathon could be contingently liable for them.

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United States Steel is more highly leveraged than Marathon is, has a noninvestment grade credit rating and has granted security interests in some of its assets, including its accounts receivable and inventory. The steel business is highly competitive, and a large number of industry participants have sought protection under bankruptcy laws in recent periods.

The enforceability of Marathon s claims against United States Steel could become subject to the effect of any bankruptcy, fraudulent conveyance or transfer or other law affecting creditors rights generally, or of general principles of equity, which might become applicable to those claims or other claims arising from the facts and circumstances in which the separation was effected.

Under applicable law and regulations, Marathon also may be liable for any defaults by United States Steel in the performance of its obligations to pay federal income taxes, fund its ERISA pension plans and pay other obligations respecting periods prior to the effective date of the separation.

The transfer by Marathon s former parent entity to Marathon of ownership of various assets and business operations could be challenged under fraudulent conveyance or transfer laws by or on behalf of creditors of United States Steel, and any such challenge, if successful, could materially adversely affect Marathon and the value of Marathon common stock.

In July 2001, USX Corporation (Old USX) effected a reorganization of the ownership of its businesses in which:

- it created Marathon as its publicly owned parent holding company and transferred ownership of various assets and business operations to Marathon; and
- it merged into a newly formed subsidiary which survived as United States Steel.

If a court in a bankruptcy case regarding United States Steel or a lawsuit brought by its creditors or their representative were to find that, under the applicable fraudulent conveyance or transfer law or corresponding provisions of the U.S. Bankruptcy Code:

- the transfer by Old USX to Marathon or related transactions were undertaken by Old USX with the intent of hindering, delaying or defrauding its existing or future creditors; or
- Old USX received less than reasonably equivalent value or fair consideration, or no value or consideration, in connection with those transactions, and either it or United States Steel
  - was insolvent or rendered insolvent by reason of those transactions,
  - was engaged or about to engage in a business or transaction for which its assets constituted unreasonably small capital, or
  - intended to incur, or believed that it would incur, debts beyond its ability to pay as they mature,

then that court could determine those transactions entitled one or more classes of creditors of United States Steel to equitable relief from Marathon. Such a determination could permit the unpaid creditors to obtain recovery from Marathon or could result in other actions detrimental to the holders of Marathon s common stock. The measure of insolvency for purposes of these considerations would vary depending on the law of the jurisdiction being applied.

A substantial or extended decline in oil or gas prices would have a material adverse effect on Marathon.

Prices for oil and gas fluctuate widely. Marathon s revenues, operating results and future rate of growth are highly dependent on the prices it receives for its oil, gas and refined products. Historically, the markets for oil, gas and refined products have been volatile and may continue to be volatile in the future. Many of the factors influencing prices of oil, gas and refined products are beyond Marathon s control. These factors include:

- worldwide and domestic supplies of oil and gas;

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- weather conditions;
- the ability of the members of OPEC to agree to and maintain oil price and production controls;
- political instability or armed conflict in oil-producing regions;
- the price and level of foreign imports;
- the level of consumer demand;
- the price and availability of alternative fuels;
- the availability of pipeline capacity; and
- domestic and foreign governmental regulations and taxes.

The long-term effects of these and other conditions on the prices of oil and gas are uncertain.

Lower oil and gas prices may reduce the amount of oil and gas that Marathon produces, which may adversely affect its revenues and operating income. Significant reductions in oil and gas prices could require Marathon to reduce its capital expenditures.

Estimates of oil and gas reserves depend on many factors and assumptions, including various assumptions that are based on conditions in existence as of the dates of the estimates. Any material changes in those conditions or other factors affecting those assumptions could adversely affect the quantity and value of Marathon s oil and gas reserves.

The proved oil and gas reserve information relating to Marathon included or incorporated by reference in this proxy statement/prospectus has been derived from engineering estimates. Those estimates were prepared by Marathon personnel and reviewed, on a selected basis, by independent petroleum engineers. The estimates were calculated using oil and gas prices in effect as of December 31, 2003, as well as other conditions in existence as of that date. Any significant future price changes will have a material effect on the quantity and present value of Marathon s proved reserves. Future reserve revisions could also result from changes in, among other things:

- governmental regulation;
- severance and other production taxes; and
- the cost environment.

Reserve estimation is a subjective process that involves estimating volumes to be recovered from underground accumulations of oil and gas that cannot be directly measured. As a result, different petroleum engineers, each using industry-accepted geologic and engineering practices and scientific methods, may produce different estimates of reserves and future net cash flows based on the same available data. Because of the subjective nature of oil and gas reserve estimates, each of the following items may differ materially from the amounts or other factors estimated:

- the quantities of oil and gas that are ultimately produced;
- the timing of the production;
- the revenues associated with the proved reserves that are produced;
- the production and operating costs incurred; and
- the amount and timing of future development expenditures.

The discounted future net revenues from Marathon s reserves included in this proxy statement/prospectus should not be considered as the market value of the reserves attributable to Marathon s properties. As required by

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rules the SEC has adopted, the estimated discounted future net revenues from Marathon s proved reserves are based generally on prices and costs as of the date of the estimate, while actual future prices and costs may be materially higher or lower.

In addition, the 10% discount factor, which the SEC rules require to be used to calculate discounted future net revenues for reporting purposes, is not necessarily the most appropriate discount factor based on the cost of capital in effect from time to time and risks associated with Marathon s business and the oil and gas industry in general.

If Marathon fails to acquire or find additional reserves, its reserves and production will decline materially from their current levels.

The rate of production from oil and gas properties generally declines as reserves are depleted. Except to the extent Marathon acquires additional properties containing proved reserves, conducts successful exploration and development activities or, through engineering studies, identifies additional behind-pipe zones or secondary recovery reserves, its proved reserves will decline materially as oil and gas is produced. Future oil and gas production is, therefore, highly dependent on Marathon s level of success in acquiring or finding additional reserves.

Increases in crude oil prices and environmental regulations may adversely affect Marathon s refined product margins.

Marathon conducts domestic refining, marketing and transportation operations primarily through MAP. MAP conducts its operations mainly in the Midwest, the Southeast, the Ohio River Valley and the upper Great Plains. The profitability of these operations depends largely on the margin between the cost of crude oil and other feedstocks MAP refines and the selling prices it obtains for refined products. MAP s overall profitability could be adversely affected by availability of supply and rising crude oil and other feedstock prices which it does not recover in the marketplace. Refined product margins have been historically volatile and vary with the level of economic activity in the various marketing areas, the regulatory climate, logistical capabilities and the available supply of refined products.

In addition, environmental regulations, particularly the 1990 amendments to the Clean Air Act, have imposed, and are expected to continue to impose, increasingly stringent and costly requirements on refining and marketing operations, which may have an adverse effect on refined product margins.

The industries in which Marathon operates are very competitive, and many of its competitors have greater financial and other resources than Marathon does.

Strong competition exists in the industries in which Marathon operates and, in particular, in the exploration and development of new reserves and in the marketing and transportation of liquefied natural gas (LNG). Marathon competes with major integrated and independent oil and gas companies for the acquisition of oil and gas leases and other properties, for the equipment and labor required to develop and operate those properties and in the marketing of oil and natural gas to end-users. In addition, in implementing its integrated gas strategy, Marathon competes with major integrated energy companies in bidding for and developing LNG projects, which are very capital intensive. Many of Marathon s competitors have financial and other resources substantially greater than those available to Marathon. As a consequence, Marathon may be at a competitive disadvantage in acquiring additional properties and bidding for and developing additional projects, such as LNG plants. Many of Marathon s larger competitors in its LNG operations can complete more projects than Marathon has the capacity to complete, which could lead those competitors to realize economies of scale that Marathon is unable to realize. In addition, many of Marathon s larger competitors may be better able to respond to factors that affect the demand for oil and natural gas production, such as changes in worldwide prices and levels of production, the cost and availability of alternative fuels and the application of government regulations.

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Environmental compliance and remediation could result in increased capital requirements and operating costs.

Marathon s businesses are subject to numerous laws and regulations relating to the protection of the environment. Marathon has incurred and will continue to incur substantial capital, operating and maintenance, and remediation expenditures as a result of these laws and regulations. Marathon s compliance with amended, new or more stringent requirements, stricter interpretations of existing requirements or the future discovery of contamination may require it to make material expenditures or subject it to liabilities that it currently does not anticipate. In addition, any failure by Marathon to comply with existing or future laws could result in civil or criminal fines and other enforcement action against it.

The operations of Marathon and its predecessors could expose Marathon to civil claims by third parties for alleged liability resulting from contamination of the environment or personal injuries caused by releases of hazardous substances. For example:

- Marathon is investigating or remediating contamination at numerous formerly and currently owned sites; and

- Marathon has been identified as a potentially responsible party at nine Superfund sites as of March 31, 2004, where Marathon or its predecessors are alleged to have disposed of wastes in the past.

Environmental laws are subject to frequent change and many of them have become more stringent. In some cases, they can impose liability for the entire cost of cleanup on any responsible party without regard to negligence or fault and impose liability on Marathon for the conduct of others or conditions others have caused, or for Marathon s acts that complied with all applicable requirements when it performed them.

Of particular significance to MAP are the new Tier II Fuels regulations issued by the U.S. Environmental Protection Agency. These rules require substantially reduced sulfur levels in the manufacture of gasoline beginning in 2004 and diesel fuel beginning in 2006. Marathon estimates that MAP s combined capital cost to achieve compliance with these rules could amount to approximately $900 million between 2002 and 2006. This estimate includes some costs that could be incurred as part of other refinery upgrade projects. Some factors that could affect MAP s future gasoline and diesel fuel compliance costs include, among others, obtaining the necessary construction and environmental permits, completion of project detailed engineering and construction and logistical considerations.

In connection with government inspections at some of its refineries, Marathon has received a number of notices of violations of environmental laws from the U.S. Environmental Protection Agency and state environmental agencies. For example, MAP has had a pending enforcement matter with the Illinois Environmental Protection Agency and the Illinois Attorney General s office since 2002 concerning MAP s self-reporting of possible emission exceedences and permitting issues related to storage tanks at its Robinson, Illinois refinery. MAP has had periodic discussions with Illinois officials regarding this matter and more discussions are anticipated in 2004.

During 2001, MAP entered into a New Source Review consent decree and settlement of alleged Clean Air Act and other violations with the U.S. Environmental Protection Agency covering all of MAP s refineries. The settlement committed MAP to specific control techniques and implementation schedules for environmental expenditures and improvements to MAP s refineries over approximately an eight-year period. MAP s estimate of the total one-time expenditures for these environmental projects is approximately $330 million over the eight-year period, of which MAP had incurred approximately $190 million through March 31, 2004. In addition, MAP has nearly completed certain agreed upon supplemental environmental projects as part of the settlement of an enforcement action for Clean Air Act violations at a cost of $9 million.

Marathon, along with many other refining companies, is a defendant in over 40 recently filed cases in 16 states alleging methyl tertiary-butyl ether (MTBE) contamination in groundwater. The plaintiffs, generally

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water providers or governmental authorities, allege that refiners, manufacturers and sellers of gasoline containing MTBE are liable for manufacturing a defective product and that owners and operators of retail gasoline sites have allowed MTBE to be discharged into the groundwater. Several of these lawsuits allege contamination that is outside of Marathon s marketing area. A few of the cases seek approval as class actions. Many of these cases seek punitive damages or treble damages under a variety of statutes and theories. Marathon has stopped producing MTBE at its refineries. The potential impact of these recent cases and future potential similar cases is uncertain.

Worldwide political and economic developments could hurt Marathon s operations materially.

Local political and economic factors in international markets could have a material adverse effect on Marathon. Approximately 40% of Marathon s oil and gas production in 2003 was derived from production outside the United States, and approximately 54% of Marathon s proved reserves as of December 31, 2003 were located outside the United States. In addition, Marathon is increasing the focus of its development operations on areas outside the United States.

There are many risks associated with operations in international markets, including changes in foreign governmental policies relating to crude oil, natural gas or refined product pricing and taxation, other political, economic or diplomatic developments, changing political conditions and international monetary fluctuations. These risks include:

- political and economic instability, war and civil disturbances;
- uncertainty or instability resulting from armed hostilities or other crises in the Middle East or other geographic areas in which Marathon operates;
- acts of terrorism;
- the possibility that a foreign government may seize Marathon s property with or without compensation;
- confiscatory taxation;
- a foreign government attempting to renegotiate or revoke existing contractual arrangements; and
- fluctuating currency values, hard currency shortages and currency controls.

Continued hostilities in the Middle East and the occurrence or threat of future terrorist attacks could cause a downturn in the economies of the United States and other developed countries. A lower level of economic activity could result in a decline in energy consumption, which could cause Marathon s revenues and margins to decline and limit its future growth prospects. More specifically, these risks could lead to increased volatility in prices for crude oil, natural gas and refined products. In addition, these risks could increase instability in the financial and insurance markets and make it more difficult for Marathon to access capital and to obtain insurance coverages that it considers adequate.

Actions of the U.S. government through tax and other legislation, executive order and commercial restrictions could adversely affect Marathon s operating profitability both in the United States and overseas. The U.S. government can prevent or restrict Marathon from doing business in foreign countries. These restrictions and those of foreign governments have in the past limited Marathon s ability to operate in or gain access to opportunities in various countries. Actions by both the United States and host governments have affected operations significantly in the past and will continue to do so in the future.

Marathon s operations are subject to business interruptions and casualty losses, and it does not insure against all potential losses and could be seriously harmed by unexpected liabilities.

Marathon s exploration and production operations are subject to unplanned occurrences, including blowouts, explosions, fires, loss of well control, spills, adverse weather, labor disputes and maritime accidents. In

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addition, its refining, marketing and transportation operations are subject to business interruptions due to scheduled refinery turnarounds and unplanned events such as explosions, fires, pipeline interruptions, crude oil or refined product spills, inclement weather or labor disputes. They are also subject to the additional hazards of marine operations, such as capsizing, collision and damage or loss from severe weather conditions. Marathon maintains insurance against many, but not all, potential losses or liabilities arising from these operating hazards in amounts that Marathon believes to be prudent. Uninsured losses and liabilities arising from operating hazards could reduce the funds available to Marathon for exploration, drilling and production and could have a material adverse effect on its financial position or results of operations.

Marathon may issue preferred stock whose terms could adversely affect the voting power or value of its common stock.

Marathon s restated certificate of incorporation authorizes it to issue, without the approval of its stockholders, one or more classes or series of preferred stock having such preferences, powers and relative, participating, optional and other rights, including preferences over its common stock respecting dividends and distributions, as its board of directors generally may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of Marathon s common stock. For example, Marathon could grant holders of preferred stock the right to elect some number of its directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences Marathon could assign to holders of preferred stock could affect the residual value of the common stock. See the section of this proxy statement/prospectus entitled Description of Marathon Capital Stock Preferred Stock.

Provisions in Marathon s corporate documents and Delaware law could delay or prevent a change in control of Marathon, even if that change would be beneficial to its stockholders.

The existence of some provisions in Marathon s corporate documents and Delaware law could delay or prevent a change in control of Marathon, even if that change would be beneficial to its stockholders. Marathon s restated certificate of incorporation and by-laws contain provisions that may make acquiring control of Marathon difficult, including:

- provisions relating to the classification, nomination and removal of its directors;
- a provision prohibiting stockholder action by written consent;
- a provision that allows only its board of directors to call a special meeting of its stockholders;
- provisions regulating the ability of its stockholders to bring matters for action at annual meetings of its stockholders; and
- the authorization given to its board of directors to issue and set the terms of preferred stock.

In addition, a provision of the Delaware General Corporation Law would impose some restrictions on mergers and other business combinations between Marathon and any holder of 15% or more of its outstanding common stock. See the section of this proxy statement/prospectus entitled Description of Marathon Capital Stock.

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DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains or incorporates by reference a number of forward-looking statements, within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. You can identify forward-looking statements by words such as plan, believe, expect, intend, anticipate, estimate, project, potential or other similar expressions that convey the uncertainty of future events or outcome statements include, but are not limited to, statements regarding:

- the benefits of the transactions, including future financial and operating results, performance or achievements;
- the parties respective plans, objectives, expectations and intentions, including those statements that refer to the expected benefits of the transactions to Ashland s shareholders;
- the timing of the transactions;
- anticipated levels of revenues, gross margins, income from operations, net income or earnings per share;
- anticipated levels of capital, exploration, environmental or maintenance expenditures;
- the success or timing of completion of ongoing or anticipated capital, exploration or maintenance projects;
- anticipated volumes of production, sales, throughput or shipments of liquid hydrocarbons, natural gas and refined products;
- anticipated levels of worldwide prices of liquid hydrocarbons, natural gas and refined products;
- anticipated levels of reserves of liquid hydrocarbons or natural gas;
- anticipated effects of restructuring or reorganization of business components;
- the potential effects of judicial proceedings on the business and financial condition of New Ashland and Marathon; and
- anticipated effects of actions of third parties such as competitors, or Federal, state or local regulatory authorities.

The executive managements of the parties believe that the forward-looking statements are reasonable; however, forward-looking statements are not guarantees of future performance, and you should not place undue reliance on them. The forward-looking statements are 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) and are subject to a number of risks, uncertainties, and assumptions that could cause actual results to differ materially from those described in the forward-looking statements. The following factors, among others, could cause actual results to differ materially from those set forth in the forward-looking statements:

the possibility that the parties will be unable to fully realize the benefits anticipated from the transactions;

the possibility of failing to receive favorable private letter rulings from the Internal Revenue Service or tax opinions from Cravath, Swaine & Moore LLP and Miller & Chevalier Chartered;

the possibility that Ashland fails to obtain the approval of the transactions and the transaction agreements from its shareholders or the consent to the transactions from each series of its outstanding public debt;

the possibility that the closing of the transactions may not occur or that the parties may be required to modify some aspect of the transactions to obtain regulatory approvals;

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market expectations of the likelihood that the closing of the transactions will occur and the timing of the closing;

competitive activity within Ashland s and Marathon s industries;

changes in the businesses, operations, results and prospects of the parties;

Marathon s financial exposure to obligations of United States Steel;

legislative or regulatory changes that adversely affect the businesses in which Ashland and Marathon are engaged and New Ashland will be engaged;

environmental risks and liabilities under U.S. Federal and state and foreign environmental laws and regulations;

changes in the securities markets;

changes in weather and climate conditions;

general domestic and international political actions and conditions;

fluctuations in crude oil and natural gas prices and refining and marketing margins;

fluctuations in worldwide supply and demand for petroleum products;

availability of capital for exploration and development and the arranging of related financing;

other general economic and business conditions, either domestically, internationally or in jurisdictions in which the parties are doing business, that adversely affect Ashland, New Ashland or Marathon or their suppliers, distributors or customers; and

other risks and uncertainties, including those set forth in this proxy statement/prospectus under the caption Risk Factors and those described from time to time in the filings of Ashland, ATB Holdings, New Ashland and Marathon with the SEC.

You should not place undue reliance on the forward-looking statements, which speak only as of the date of this proxy statement/prospectus or, in the case of a forward-looking statement contained in any document incorporated by reference, the date of that document.

All written and oral forward-looking statements concerning the transactions or other matters addressed in this proxy statement/prospectus and attributable to Ashland, ATB Holdings, New Ashland or Marathon or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Ashland, ATB Holdings, New Ashland and Marathon undertake no obligation to update such forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events.

THE SPECIAL MEETING

This proxy statement/prospectus is being furnished to Ashland shareholders as of the record date for the special meeting of Ashland shareholders as part of the solicitation of proxies by the Ashland board of directors for use at the special meeting and at any and all adjournments or postponements of the special meeting.

Date, Time and Place

Ashland will hold the special meeting on , , at , local time, at . All Ashland shareholders on the record date are invited to attend the special meeting, although seating is limited. If shares are held in the name of a nominee (for example, through a bank or broker), the shareholder will need to bring a proxy

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or letter from that nominee that confirms the shareholder is the beneficial owner of those shares and, if the shareholder would like to vote at the special meeting, authorizes the shareholder to vote.

Mailing of the Proxy Statement/Prospectus and Proxy Card

On or about , 2004, this proxy statement/prospectus and a proxy card will be sent to each holder of record of Ashland common stock on the record date.

Purpose of the Special Meeting

At the special meeting, Ashland shareholders will consider and vote upon a proposal to approve the transactions and the transaction agreements. No matters other than the proposal to approve the transactions and the transaction agreements will be brought before the special meeting.

Recommendation of the Ashland Board of Directors

The Ashland board of directors has unanimously determined that the terms of the transactions are fair to and in the best interests of Ashland and its shareholders and has unanimously adopted and approved the transactions and the transaction agreements.

The Ashland board of directors unanimously recommends that Ashland shareholders vote FOR the approval of the transactions and the transaction agreements.

Record Date; Shares Entitled to Vote; Quorum

Only holders of record of Ashland common stock at the close of business on , the record date for the special meeting, are entitled to attend and vote at the special meeting. On the record date, approximately shares of Ashland common stock were issued and outstanding and held by approximately holders of record. A quorum will be present at the special meeting if the holders of a majority of the shares of Ashland common stock outstanding and entitled to vote on the record date are present, in person or by proxy. If a quorum is not present at the special meeting, it is expected that the special meeting will be postponed to solicit additional proxies. Holders of record of Ashland common stock on the record date are entitled to one vote per share at the special meeting.

Vote Required

Assuming a quorum is present, under Kentucky law, the approval of the transactions and the transaction agreements by Ashland shareholders requires the affirmative vote of the holders of a majority of the shares of common stock outstanding and entitled to vote at the special meeting as of the record date, either in person or by proxy.

Share Ownership of Ashland Directors, Executive Officers and Affiliates

At the close of business on the record date, Ashland s directors and executive officers and their respective affiliates beneficially owned and were entitled to vote shares of Ashland common stock, which represented % of the shares of Ashland common stock outstanding on that date. Each Ashland director and executive officer has indicated his or her present intention to vote, or cause to be voted, the shares of Ashland common stock beneficially owned by him or her for the approval of the transactions and the transaction agreements.

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How to Vote

If shares are registered in the name of a nominee, an Ashland shareholder should follow the instructions provided by his or her nominee to vote his or her shares. If shares are registered in an Ashland shareholder s name:

The shareholder may vote in person at the special meeting.

The shareholder may vote by telephone, regardless of whether he or she receives his or her special meeting materials through the mail or over the Internet, by following the instructions on the proxy card or electronic access notification. If a shareholder votes by telephone, he or she should not vote over the Internet or mail in his or her proxy card.

The shareholder may vote over the Internet, regardless of whether he or she receives his or her special meeting materials through the mail or over the Internet, by following the instructions on the proxy card or electronic access notification. If a shareholder votes over the Internet, he or she should not vote by telephone or mail in his or her proxy card.

The shareholder may vote by mail. If the shareholder received a proxy card through the mail, he or she should complete and sign his or her proxy card and mail it in the enclosed prepaid and addressed envelope. If the shareholder marks his or her voting instructions on the proxy card, his or her shares will be voted as he or she instructs. If no voting specification is made on the signed and returned proxy card, James J. O Brien or David L. Hausrath, as proxies named on the proxy card, will vote FOR the approval of the transactions and the transaction agreements. If a shareholder votes by mail, he or she should not vote by telephone or over the Internet.

If shares are voted for the approval of the transactions and the transaction agreements, the shareholder will lose his or her right to exercise dissenters rights.

Voting of Proxies

All shares represented by properly executed proxies received prior to or at the special meeting, and not properly and timely revoked, will be voted at the special meeting in the manner specified by the shareholders giving those proxies. Properly executed proxies that do not contain voting instructions will be voted FOR the approval of the transactions and the transaction agreements.

Shares of Ashland common stock represented at the special meeting but not voting, including shares representing abstentions or broker non-votes, will be treated as present at the special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business. Only shares affirmatively voted for the approval of the transactions and the transaction agreements, including properly executed proxies that do not contain voting instructions, will be counted as favorable votes for the proposal. An abstention or failure to vote will have the same effect as a vote against the approval of the transactions and the transaction agreements, because the required vote of Ashland shareholders is based upon the number of outstanding shares of Ashland common stock, rather than the number of shares actually voted.

Also, under New York Stock Exchange rules, brokers that hold shares of Ashland common stock in street name for customers that are the beneficial owners of those shares may not give a proxy to vote those shares without specific instructions from those customers. If a shareholder fails to instruct his or her broker to vote his or her shares with respect to the approval of the transactions and the transaction agreements, and the broker submits an unvoted proxy, the resulting broker non-vote will be counted toward a quorum at the special meeting, but it will have the same effect as a vote against the transactions and the transaction agreements, because the required vote of Ashland shareholders is based upon the number of outstanding shares of Ashland common stock, rather than the number of shares actually voted.

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The persons named as proxies by an Ashland shareholder may vote for postponement or one or more adjournments of the special meeting, including adjournments to permit further solicitations of proxies. No proxy voted against the proposal to approve the transactions and the transaction agreements will be voted in favor of any postponement or adjournment.

Revocability of Proxies

Submitting a proxy does not preclude an Ashland shareholder from voting in person at the special meeting. If a shareholder has not voted through a broker, the shareholder has the right to change or revoke his or her proxy:

- at any time before the special meeting by:
  - notifying Ashland s secretary in writing;
  - returning a later-dated proxy card; or
  - entering a later-dated telephone or Internet vote; or
- by voting in person at the special meeting.

However, any changes or revocations of voting instructions to the trustee of Ashland s Leveraged Employee Stock Ownership Plan and Ashland s Employee Savings Plan must be received by the Ashland proxy tabulator, National City Bank or its agent, before midnight Eastern Time on , 2004. If a shareholder instructs a broker to vote his or her shares, the shareholder must follow the directions he or she receives from his or her broker in order to change or revoke his or her vote. Attendance at the special meeting without voting will not itself revoke a proxy.

Solicitation of Proxies

Ashland and Marathon will share the expenses incurred in connection with the printing and mailing of this proxy statement/prospectus. In addition to solicitation by mail, the directors, officers and employees of Ashland, who will not be specially compensated, may solicit proxies from Ashland shareholders by telephone, facsimile, telegram or other electronic means or in person. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of shares held of record by these persons, and Ashland and Marathon will reimburse them for their reasonable out-of-pocket expenses.

Shareholders should not send in any Ashland share certificates with their proxy cards. If the closing occurs, a letter of transmittal with instructions for the surrender of Ashland share certificates will be mailed to shareholders as soon as practicable after the closing.

Ashland has retained Georgeson Shareholder Communications, Inc. to assist in the solicitation of proxies for customary fees plus customary additional payments for telephone solicitations and reimbursement for certain out-of-pocket expenses, and will indemnify Georgeson Shareholder Communications, Inc. against certain liabilities arising out of its proxy solicitation services on behalf of Ashland. Ashland and Marathon will share these fees and expenses equally.

Proxies for Participants in Ashland Plans

A shareholder s proxy card represents all shares of Ashland common stock that are registered in the shareholder s name and any shares the shareholder holds in Ashland s Open Enrollment Dividend Reinvestment and Stock Purchase Plan, Leveraged Employee Stock Ownership Plan or Employee Savings Plan.

Shares of Ashland common stock credited to a shareholder s account in the Open Enrollment Dividend Reinvestment Plan and Stock Purchase Plan will be voted by National City Bank, the plan administrator, in accordance with the shareholder s voting instructions.

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Each participant in the Employee Savings Plan or the Leveraged Employee Stock Ownership Plan will instruct the trustee how to vote the shares of Ashland common stock credited to the participant s account in each plan. This instruction also applies to a proportionate number of those shares of Ashland common stock allocated to other participants accounts but for which voting instructions are not timely received by the trustee. These shares are referred to as non-directed shares. Each participant who gives the trustee such an instruction acts as a named fiduciary for the plans under the Employee Retirement Income Security Act of 1974, as amended.

Any participant in the Employee Savings Plan or the Leveraged Employee Stock Ownership Plan who wishes to vote the non-directed shares differently from the shares credited to his or her account or who wishes not to vote the non-directed shares at all may do so by requesting a separate voting instruction card from National City Bank, Corporate Trust Administration, Dept. 3116, 629 Euclid Avenue, Suite 635, Cleveland, Ohio 44114-3484.

THE COMPANIES

Ashland Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

Ashland, a Kentucky corporation, was organized on October 22, 1936. Ashland s businesses are grouped into five industry segments: APAC (as defined below); Ashland Distribution; Ashland Specialty Chemical; Valvoline; and Refining and Marketing. Financial information about each of these segments for the three fiscal years ended September 30, 2003 is set forth on pages F-24 and F-25 of Ashland s annual report on Form 10-K, as amended, for the fiscal year ended September 30, 2003, which has been incorporated by reference in this proxy statement/prospectus.

Ashland Paving And Construction, Inc. and its subsidiaries (APAC) perform asphalt and concrete contract construction work, including highway paving and repair, excavation and grading and bridge construction, and produce asphaltic mix and ready-mix concrete, crushed stone and other aggregate in the southeastern and mid-continent regions of the United States.

Ashland Distribution distributes industrial chemicals and solvents, plastics, composite materials and fine ingredients in North America and plastics in Europe. Ashland Distribution also provides environmental services.

Ashland Specialty Chemical is focused on two primary chemistries: thermoset and water. It manufactures and supplies specialty chemical products and services to industries including the automotive, building and construction, foundry, marine, paint, paper, ink, flexible packaging and water treatment industries.

Ashland s maleic anhydride business to be contributed to ATB Holdings in the transactions is a part of Ashland s Specialty Chemicals segment. The maleic anhydride business produces maleic anhydride at its plant in Neal, West Virginia. Maleic anhydride is used in the production of unsaturated polyester resins, lube oil additives, co-polymers, alkyd resins, fumaric and malic acids and agricultural chemicals. The production capacity of the maleic anhydride business is currently 104 million pounds per year.

Valvoline is a producer and marketer of premium packaged motor oil and automotive chemicals, including appearance products, antifreeze, filters, rust preventives and coolants. In addition, Valvoline is engaged in the fast oil change business through outlets operating under the Valvoline Instant Oil Change® name. As of March 31, 2004, there were 356 company-owned and 394 franchised VIOC centers operating in 38 states.

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The 61 Valvoline Instant Oil Change centers in Michigan and northwest Ohio to be contributed to ATB Holdings in the transactions provide services to the passenger car and light truck motor oil market.

Ashland s Refining and Marketing segment consists primarily of its 38% interest in MAP. Ashland accounts for its investment in MAP using the equity method. See the section of this proxy statement/prospectus entitled The Companies Marathon Ashland Petroleum LLC.

At March 31, 2004, Ashland and its consolidated subsidiaries had approximately 18,704 domestic employees (excluding contract employees).

As part of the transactions, Ashland will merge with and into EXM LLC. EXM LLC will survive the merger and Ashland will cease to exist.

ATB Holdings Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

ATB Holdings, a Delaware corporation organized in March 2004, is a wholly owned subsidiary of Ashland formed for the purpose of the transactions. ATB Holdings has not conducted, and will not conduct, active business operations. As part of the transactions, Ashland will contribute its interest in MAP, its maleic anhydride business and 61 Valvoline Instant Oil Change centers located in Michigan and northwest Ohio to ATB Holdings. In the final step of the transactions, ATB Holdings will merge with and into Marathon Domestic LLC. Marathon Domestic LLC will survive the merger and ATB Holdings will cease to exist.

EXM LLC

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

EXM LLC, a Kentucky limited liability company organized in March 2004, is a wholly owned subsidiary of ATB Holdings formed for the purpose of the transactions. EXM LLC has not conducted, and will not conduct, active business operations. As part of the transactions, Ashland will merge with and into EXM LLC. EXM LLC will survive the merger and Ashland will cease to exist. Subsequently, as part of the transactions, EXM LLC will merge with and into New Ashland. New Ashland will survive the merger and EXM LLC will cease to exist.

New EXM Inc.

50 E. RiverCenter Boulevard

P.O. Box 391

Covington, KY 41012-0391

Telephone: (859) 815-3333

New EXM Inc., a Kentucky corporation organized in March 2004 and referred to in this proxy statement/prospectus as New Ashland, is a wholly owned subsidiary of ATB Holdings formed for the purpose of the transactions. New Ashland has not conducted, and will not conduct, any active business operations prior to the closing of the transactions. As a part of the transactions, New Ashland will (1) be renamed Ashland Inc., (2) be the successor by merger to Ashland, (3) be a publicly traded company owned by Ashland shareholders, (4) own all of the businesses currently owned by Ashland other than Ashland s interest in MAP, its maleic anhydride business and the 61 Valvoline Instant Oil Change centers located in Michigan and northwest Ohio to be contributed to ATB Holdings and (5) receive the proceeds of the partial redemption and the capital contribution.

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Ashland expects that New Ashland common stock will be traded on the New York Stock Exchange under the same symbol (ASH) under which Ashland currently trades.

It is expected that the directors and executive officers of Ashland immediately prior to the closing of the transactions will serve as the directors and executive officers, respectively, of New Ashland immediately after the closing of the transactions. The New Ashland articles of incorporation that will be in effect upon the closing of the transactions provide that New Ashland will have three classes of directors, the initial terms of office of which will expire, respectively, at the New Ashland annual meeting of shareholders in 2005, 2006 and 2007. Class I directors will serve until the 2005 New Ashland annual meeting and until their respective successors are elected and qualified. It is expected that Dr. Bernadine P. Healy, Mr. James J. O Brien and Mr. William L. Rouse, Jr. will serve as Class I directors. Class II directors will serve until the 2006 New Ashland annual meeting and until their respective successors are elected and qualified. It is expected that Mr. Roger W. Hale, Mr. Patrick F. Noonan, Mrs. Jane C. Pfeiffer and Mr. George A. Schaefer, Jr. will serve as Class II directors. Class III directors will serve until the 2007 New Ashland annual meeting and until their respective successors are elected and qualified. It is expected that Dr. Ernest H. Drew, Mr. Mannie L. Jackson, Mr. Theodore M. Solso and Mr. Michael J. Ward will serve as Class III directors. It is expected that the standing committees of the board of directors of New Ashland immediately prior to the closing of the transactions will be identical to the standing committees of the board of directors of Ashland immediately after the closing of the transactions.

After the closing of the transactions, New Ashland s businesses will be grouped into four industry segments: APAC; Ashland Distribution; Specialty Chemicals (which will not include the maleic anhydride business being contributed to ATB Holdings); and Valvoline (which will not include the 61 Valvoline Instant Oil Change centers located in Michigan and northwest Ohio being contributed to ATB Holdings).

Marathon Oil Corporation

5555 San Felipe Road

Houston, Texas 77056-2723

Telephone: (713) 629-6600

Marathon is a global integrated energy company which, through its subsidiaries, is engaged in:

- the worldwide exploration and production of crude oil and natural gas;
- domestic refining, marketing and transportation of crude oil and petroleum products, primarily through MAP; and
- integrated gas.

Marathon currently conducts exploration and development activities in nine countries. Principal exploration activities are in the United States, Norway, Equatorial Guinea, Angola and Canada. Principal development activities are in the United States, the United Kingdom, Ireland, Norway, Equatorial Guinea, Gabon and Russia. Marathon is also pursuing opportunities in north and west Africa and the Middle East. In addition, Marathon, through its integrated gas segment, markets and transports its own and third-party natural gas and products manufactured from natural gas, such as liquefied natural gas and methanol, primarily in the United States, Europe and west Africa.

Marathon s total proved reserves as of December 31, 2003 were estimated at 1.042 billion barrels of oil equivalent (BOE). For the year ended December 31, 2003, Marathon s daily worldwide production averaged approximately 389,000 BOE per day. Natural gas represented approximately 45% of Marathon s proved reserves as of December 31, 2003 and approximately 50% of its daily production for the year ended December 31, 2003. For the quarter ended March 31, 2004, Marathon s daily worldwide production averaged approximately 373,000 BOE per day, of which natural gas represented approximately 51%.

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Marathon was originally organized in 2001 as USX HoldCo, Inc., a wholly owned subsidiary of USX Corporation. As a result of a reorganization completed in July 2001, USX HoldCo, Inc. became the parent entity of the consolidated enterprise and changed its name to USX Corporation. On December 31, 2001, Marathon, then named USX Corporation, disposed of its steel business through a tax-free distribution of the common stock of its wholly owned subsidiary United States Steel Corporation. In connection with that separation transaction, USX Corporation changed its name to Marathon Oil Corporation.

Marathon Oil Company

5555 San Felipe Road

Houston, Texas 77056-2723

Telephone: (713) 629-6600

Marathon Oil Company is a wholly owned operating subsidiary of Marathon through which Marathon conducts substantially all of its operations and which owns Marathon s 62% interest in MAP. Marathon Oil Company and its predecessors have been engaged in the oil and gas business since 1887.

Marathon Ashland Petroleum LLC

539 South Main Street

Findlay, Ohio 45840

Telephone: (419) 422-2121

MAP, a Delaware limited liability company, was formed in June 1997. MAP is a petroleum refining, marketing and transportation company in which Marathon Oil Company currently owns a 62% interest and Ashland owns a 38% interest. Immediately after the transactions, all of the interests in MAP will be owned by Marathon Oil Company and Marathon Domestic LLC. As of March 31, 2004, MAP owned and operated seven refineries with an aggregate refining capacity of 948,000 barrels of crude oil per day. The refineries are integrated through pipelines and barges to maximize operating efficiency. As of March 31, 2004, MAP owned, leased, or had an ownership interest in approximately 3,100 miles of crude oil trunk lines and approximately 3,850 miles of product trunk lines. These transportation links allow the movement of intermediate products to optimize operations and facilitate the production of high-margin products. As of March 31, 2004, MAP supplied petroleum products to approximately 3,900 Marathon-branded and Ashland-branded retail outlets located primarily in Michigan, Ohio, Indiana, Kentucky and Illinois. Retail sales of gasoline and diesel fuel are also made through MAP-operated outlets by Speedway SuperAmerica LLC (SSA), a wholly owned subsidiary of MAP. As of March 31, 2004, SSA had approximately 1,775 retail outlets in nine states that sold petroleum products and convenience-store merchandise and services, primarily under the brand names Speedway and SuperAmerica. MAP operates a large system of pipelines and terminals, as well as a land-based and water-based transportation fleet, to provide crude oil to its refineries and refined products to its marketing areas.

MAP also owns 50% of Pilot Travel Centers LLC, the largest operator of travel centers in the United States, with approximately 260 locations in 34 states. The travel centers offer diesel fuel, gasoline and a variety of other services, including on-premises brand name restaurants.

Marathon Domestic LLC

5555 San Felipe Road

Houston, Texas 77056-2723

Telephone: (713) 629-6600

Marathon Domestic LLC, a Delaware limited liability company formed in March 2004, is a wholly owned subsidiary of Marathon formed for the purpose of the transactions. Marathon Domestic LLC has not conducted, and will not conduct, any active business operations prior to the closing of the transactions. As part of the transactions, ATB Holdings will merge with and into Marathon Domestic LLC, with Marathon Domestic LLC as the surviving entity. As a result, Marathon Domestic LLC will become the holder of Ashland s interest in MAP, its maleic anhydride business and 61 Valvoline Instant Oil Change centers located in Michigan and northwest Ohio.

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THE TRANSACTIONS

Transaction Steps

The master agreement sets forth a series of steps necessary to complete the transactions. Following the satisfaction or waiver of the conditions to the closing of the transactions set forth in the master agreement, it is anticipated that these steps will occur on the day of closing of the transactions and in the following order:

1. **Partial redemption.** MAP will redeem a portion of Ashland s 38% interest in MAP for a redemption price of approximately $800 million plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions, payable in a combination of cash and MAP accounts receivable. We refer to this redemption as the partial redemption. The actual portion to be redeemed will be determined by a formula, but it is expected that the partial redemption will leave Ashland with a continuing interest in MAP of approximately 31%. Ashland and Marathon have agreed that MAP will not make its quarterly distributions for the period from March 18, 2004, the date of the signing of the master agreement, to the closing of the transactions or the termination of the master agreement in accordance with its terms. The total amount of the partial redemption and the ATB Holdings borrowing (defined below) will be $2,699,170,000, plus any increases as a result of the cash held by MAP as of the closing of the transactions or the last paragraph describing this step of the transactions.

Marathon will be responsible for ensuring that MAP has available a total amount of cash and accounts receivable sufficient to fund the partial redemption and both Marathon and Ashland will use reasonable best efforts to ensure that MAP has available the appropriate mix of cash and accounts receivable to fund the partial redemption. The MAP accounts receivable will be selected by Ashland in accordance with a protocol specified in the master agreement and will be valued using agreed discount factors to reflect credit risk and the time value of money. Marathon has represented that the information provided to Ashland by MAP in connection with Ashland s evaluation of MAP s accounts receivable is true and correct in all material respects.

Because the valuation of the transferred accounts receivable will take into account the associated credit risk, Ashland will bear the risk of nonpayment after transfer. To the extent any transferred account receivable is reduced or canceled (other than as a result of nonpayment), MAP will promptly assign a substitute receivable of the same value.

The amount of the partial redemption may be increased in two circumstances. MAP may increase the amount of the partial redemption if Marathon determines, after considering the requirements of applicable fraudulent transfer or conveyance laws, that the total amount of the partial redemption and the capital contribution described in paragraph 5 below is not reasonably equivalent to the total value of Ashland s interest in MAP, the maleic anhydride business and the 61 VIOC centers located in Michigan and northwest Ohio. The amount of the partial redemption may also be increased by 38% of certain pension contributions and similar payments by MAP in excess of specified thresholds.

2. **Maleic anhydride business/VIOC centers contribution.** Ashland will contribute its maleic anhydride business and the 61 VIOC centers located in Michigan and northwest Ohio to ATB Holdings and ATB Holdings will assume certain related liabilities. The contribution of these businesses will be effected pursuant to two assignment and assumption agreements. See the section of this proxy statement/prospectus entitled Assignment and Assumption Agreements.

3. **MAP/LOOP/LOCAP contribution.** Ashland will contribute to ATB Holdings its remaining interest in MAP, its 4% interest in LOOP LLC, which owns and operates the only U.S. deepwater oil port located off the coast of Louisiana, and its 8.62% interest in LOCAP LLC, which owns a crude oil pipeline, and ATB Holdings will assume certain related liabilities. The following diagram illustrates the contributions described in this paragraph and the preceding paragraph:

4. **Reorganization merger.** Ashland will merge with and into EXM LLC, which will be the surviving business entity of that merger and a wholly owned subsidiary of ATB Holdings. We refer to this merger as the reorganization merger.

By virtue of the reorganization merger, each share of Ashland common stock will be converted into and represent one share of ATB Holdings common stock. All shares of Ashland common stock will no longer be outstanding, will automatically be canceled and retired and will cease to exist. However, dissenting shareholders of Ashland common stock who properly demand payment of the fair value of their shares of Ashland common stock pursuant to Subtitle 13 of the Kentucky Business Corporation Act will be entitled to payment of the fair value of their shares of Ashland common stock, rather than having their shares of Ashland common stock converted into shares of ATB Holdings common stock (and in turn converted into the right to receive shares of New Ashland and Marathon common stock). See the section of this proxy statement/prospectus entitled The Transactions Rights of Dissenting Shareholders.

5. **ATB Holdings borrowing and capital contribution.** Marathon will arrange for a borrowing by ATB Holdings currently expected to be approximately $1.9 billion. We refer to this borrowing as the ATB Holdings borrowing. The ATB Holdings borrowing will be expressly non-recourse to Ashland and will otherwise be made on terms and conditions reasonably acceptable to Ashland. Marathon may guarantee or provide other credit support for the ATB Holdings borrowing. After the ATB Holdings borrowing is completed, ATB Holdings will promptly contribute to EXM LLC cash in an amount equal to the total amount of this borrowing. We refer to this contribution as the capital contribution.

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The amount of the ATB Holdings borrowing may be affected by certain private letter rulings from the Internal Revenue Service that the parties have sought in connection with the transactions. If the amount of this borrowing is increased (or decreased), the amount of the partial redemption will be correspondingly decreased (or increased).

The following diagram illustrates the reorganization merger, the ATB Holdings borrowing and the capital contribution:

6. **Conversion merger.** EXM LLC will merge with and into New Ashland, which will survive the merger. We refer to this merger as the conversion merger.

7. **Separation and merger.** ATB Holdings will merge into Marathon Domestic LLC, a wholly owned subsidiary of Marathon, which will survive the merger. We refer to this merger as the acquisition merger.

By virtue of the acquisition merger, the shareholders of Ashland (holding ATB Holdings shares at the effective time of the acquisition merger) will have the right to receive, for each share of ATB Holdings common stock, (1) one share of New Ashland common stock and (2) a pro rata amount of shares of Marathon common stock with a total value of $315 million (based on a 20-trading day averaging period ending three trading days prior to the closing of the transactions but not counting the date of the closing) (collectively, the acquisition merger consideration). As a result of the acquisition merger, shares of New Ashland common stock will be held by the shareholders of Ashland common stock. New Ashland will receive the proceeds of the partial redemption and the capital contribution and own all of Ashland s existing businesses, properties and assets other than Ashland s interests in MAP, LOOP and LOCAP, the maleic anhydride business and the 61 VIOC centers contributed to ATB Holdings as described above.

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The following diagram illustrates the conversion merger and the acquisition merger:

The following diagram illustrates the end result of the transactions:

Background of the Transactions

On January 1, 1998, Ashland and Marathon formed MAP by contributing substantially all of their respective petroleum supply, refining, marketing and transportation businesses to MAP in exchange for a 38% ownership interest in MAP, in the case of Ashland, and a 62% ownership interest in MAP, in the case of Marathon. Under the terms of the put/call, registration rights and standstill agreement entered into in connection with the formation of MAP, commencing on December 31, 2004, Marathon has an option to purchase Ashland s interest in MAP at a purchase price equal to the fair market value of that interest plus a 15% premium, and commencing on January 1, 2005, Ashland has an option to sell that interest at a purchase price equal to the fair market value of that interest less a 15% discount or, with respect to any portion of the purchase price to be paid in equity securities, a 10% discount.

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On May 29, 2002, representatives of Marathon initiated discussions with representatives of Ashland which ultimately led to the transactions. On that date, Clarence P. Cazalot, President and Chief Executive Officer of Marathon, and John T. Mills, then Chief Financial Officer of Marathon, met with Paul W. Chellgren, then Chairman of the Board and Chief Executive Officer of Ashland, J. Marvin Quin, Senior Vice President and Chief Financial Officer of Ashland, and David L. Hausrath, Senior Vice President, General Counsel and Secretary of Ashland, in Covington, Kentucky to explore Ashland s interest in a negotiated disposition of its interest in MAP. Subsequent to that date, members of Marathon s executive management, led by Mr. Mills, from time to time met and participated in conference call discussions with members of Ashland s executive management, led by Mr. Quin, to develop a proposed transaction structure.

By letter dated August 8, 2002, Mr. Cazalot proposed a transaction to Mr. Chellgren in which Marathon would acquire Ashland s interest in MAP in a transaction that reflected a value of $2.75 billion for that interest, in the form of Marathon common stock and Marathon s assumption of Ashland debt. During the week of August 19, 2002 and by letter dated August 29, 2002, Mr. Quin indicated to Mr. Mills that Ashland did not believe that this proposal provided sufficient economic incentives for Ashland and its shareholders.

On December 18, 2002, members of Marathon s executive management, led by Messrs. Cazalot, Mills and William F. Schwind Jr., Vice President, General Counsel and Secretary of Marathon, met with members of Ashland s executive management, led by James J. O Brien, Chairman of the Board and Chief Executive Officer of Ashland, Mr. Quin and Mr. Hausrath, in Houston, Texas to discuss Marathon s previous proposal, which had been rejected, and to explore the possibility of continuing discussions based on the previously discussed transaction structure.

During the week of March 10, 2003, Mr. Cazalot contacted Mr. O Brien to express Marathon s continuing interest in acquiring Ashland s interest in MAP. By letter dated March 18, 2003, Mr. Cazalot outlined a proposal for Marathon to acquire Ashland s interest in MAP in a transaction that valued Ashland s interest at $2.9 billion. Under that proposal, approximately half of $2.85 billion of the consideration would be received by Ashland shareholders in the form of shares of Marathon common stock and approximately half of that amount would be received by Ashland in the form of Ashland debt obligations assumed by Marathon. The proposal also contemplated assumption by Marathon of up to $50 million of Ashland environmental liabilities relating to the assets Ashland contributed in the formation of MAP. The proposed consideration would be reduced to the extent that Marathon s due diligence showed that the Ashland environmental liabilities to be assumed by Marathon would exceed $50 million.

On March 20, 2003, at its regular meeting, the Ashland board of directors received a briefing from Ashland s executive management regarding Marathon s March 2003 proposal. At this meeting, representatives of Credit Suisse First Boston, Ashland s financial advisor, briefed the board on certain financial aspects of Marathon s March 2003 proposal.

By letter dated March 24, 2003, Mr. O Brien stated to Mr. Cazalot that, based on Mr. Cazalot s letter of March 18, 2003 and subsequent conversations, Ashland was prepared to commence more detailed discussions regarding Marathon s March 2003 proposal.

On March 28, 2003, Ashland and Marathon entered into a confidentiality agreement in order to facilitate the exchange of information.

On April 9, 2003, Ashland, Marathon and their respective financial and legal advisors met in Houston, Texas to discuss the principal issues relating to Marathon s March 2003 proposal. After this meeting, the parties and their respective financial and legal advisors continued to evaluate those issues.

In early May 2003, Ashland and Marathon terminated their discussions regarding Marathon s March 2003 proposal. The most significant reason was Marathon s concern that it might be exposed to risk because of

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applicable fraudulent transfer laws in light of Ashland s asbestos-related contingent liabilities. Under the U.S. Bankruptcy Code and the laws of most states, a transfer could be held to be constructively fraudulent if the court determined that the transferor (1) received less than reasonably equivalent value or, in some jurisdictions, less than fair consideration , and (2) either was insolvent at the time of the transfer or was rendered insolvent by the transfer, was engaged or was about to engage in a business or transaction for which its remaining property constituted unreasonably small capital, or intended to incur or believed it would incur debts beyond its ability to pay as those debts matured. If the transferor, in this case Ashland, is thereafter unable to satisfy all of its creditors claims, fraudulent transfer law may provide unsatisfied creditors with a claim on the transferred assets, in this case the interest in MAP, the maleic anhydride business and the 61 VIOC centers, or against the person who acquired them, in this case Marathon, regardless of the actual intent and legitimate business purposes of the parties. In early May 2003, Marathon decided that it could not proceed with its March 2003 proposal because of its concern that, because Ashland shareholders would have received approximately half of the proposed total consideration, Ashland might not receive reasonably equivalent value or fair consideration, under applicable legal interpretations of those terms, when viewed separately from its shareholders. By letter dated May 15, 2003, Mr. Cazalot confirmed to Mr. O Brien this decision by Marathon and proposed further discussions to structure an alternative transaction to Marathon s March 2003 proposal.

On May 15, 2003, at its regular meeting, the Ashland board of directors received a briefing from Ashland s executive management on the status of Marathon s March 2003 proposal, including a discussion of Marathon s termination of that proposal.

From May 2003 through July 2003, Ashland, Marathon and their respective financial and legal advisors engaged in discussions to structure an alternative transaction to Marathon s March 2003 proposal in which Marathon would acquire a portion of Ashland s business, including its interest in MAP. The transactions described in this proxy statement/prospectus and for which Ashland is seeking your approval arose out of those discussions. In order to address Marathon s concerns regarding its March 2003 proposal, (1) Ashland and Marathon structured the transactions to involve an effective assumption of new debt by Marathon to be incurred to provide for retirement of outstanding indebtedness of Ashland and payments in connection with other financial obligations and a distribution by MAP to Ashland of cash and accounts receivable in partial redemption of Ashland s interest in MAP along with an issuance of shares of Marathon common stock to Ashland shareholders, in order to provide reasonably equivalent value or fair consideration to Ashland, and Marathon obtained the AAA reasonably equivalent value opinion described in the section of this proxy statement/prospectus entitled The Transactions Opinions of American Appraisal Associates, Inc. and (2) Ashland and Marathon obtained the solvency-related opinions described in the sections of this proxy statement/prospectus entitled The Transactions Opinions of American Appraisal Associates, Inc. and The Transactions Opinion of Houlihan Lokey Howard & Zukin Financial Advisors, Inc. and conditioned the closing of the transactions on the updating of those opinions.

On June 24, 2003, representatives of Ashland and Marathon met in Washington, DC to discuss certain issues relating to the transactions, including environmental matters, Ashland s existing debt obligations and the costs of seeking consents to the transactions under those obligations.

By letter dated July 10, 2003, Mr. Cazalot proposed to Mr. O Brien a transaction in which Marathon would acquire Ashland s interest in MAP for total consideration of $2.9 billion. At this time, Marathon also distributed an initial draft of a term sheet outlining the principal terms and conditions of the transactions. From July 14, 2003 through late October 2003, representatives of Ashland, Marathon and their respective financial and legal advisors had a series of meetings and discussions and exchanged correspondence regarding the transactions and distributed revised drafts of the term sheet reflecting such discussions and correspondence. In late October 2003, Ashland and Marathon decided to proceed with the drafting of definitive documentation relating to the transactions.

On July 16, 2003, at its regular meeting, the Ashland board of directors received a briefing from Ashland s executive management on the status of the transactions. The Ashland board of directors considered various alternatives to the transactions and the opportunities those alternatives would provide to Ashland and its

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shareholders. Members of Ashland s law department briefed the board on the U.S. Federal income tax consequences of the transactions and compared those consequences to the U.S. Federal income tax consequences of Marathon s March 2003 proposal. Members of Ashland s law department also briefed the board on applicable fraudulent transfer laws and the fiduciary duties of the board.

On September 18, 2003, at its regular meeting, the Ashland board of directors received a briefing from Ashland s executive management on the status of the transactions.

On November 6, 2003, at its regular meeting, the Ashland board of directors received a briefing from Ashland s executive management on the status of the transactions. At this meeting, representatives of Credit Suisse First Boston briefed the board on certain financial aspects of the transactions. Representatives of Cravath, Swaine & Moore LLP, Ashland s legal advisor, reviewed the U.S. Federal income tax consequences of the transactions. Members of Ashland s executive management informed the board that Ashland s maleic anhydride business and 61 VIOC centers had been identified by the parties to be included in the transactions, and that, among other things, due diligence regarding these businesses had begun. In addition, members of Ashland s executive management reviewed the impact of Ashland s debt obligations on the transactions and also reviewed the outlook for New Ashland after giving effect to the transactions.

On November 10, 2003, Ashland distributed an initial draft of the master agreement to Marathon. From this date through March 2004, representatives of Ashland, Marathon and their respective financial and legal advisors had a series of meetings and discussions regarding the transactions and distributed revised drafts of the master agreement and the other transaction agreements reflecting those discussions.

On January 28, 2004, at its regular meeting, the Ashland board of directors received a briefing from Ashland s executive management on the status of the transactions. At this meeting, representatives of Credit Suisse First Boston briefed the board on certain financial aspects of the transactions. The board considered various alternatives to the transactions and the opportunities those alternatives would provide to Ashland and its shareholders. Members of Ashland s law department and representatives of Cravath, Swaine & Moore LLP reviewed the U.S. Federal income tax consequences of the transactions and the principal issues addressed in the tax matters agreement. In addition, the board was informed that Steptoe & Johnson LLP had been retained by Ashland in January 2004 to provide its independent assessment of the U.S. Federal income tax consequences of the transactions because of the importance of the tax issues relating to the transactions and their associated risk, and to assist the board in the exercise of its fiduciary duties and its business judgment in considering the transactions. Members of Ashland s executive management also reviewed the impact of Ashland s debt obligations on the transactions and provided an update on, among other things, the status of the due diligence regarding the maleic anhydride business and the 61 VIOC centers.

On the same date, Ashland engaged Houlihan Lokey for the purpose of rendering a written opinion as to New Ashland s satisfaction of specified solvency-related tests immediately after and giving effect to the transactions and on a pro forma basis.

On March 2, 2004, at a special meeting, the Ashland board of directors received a briefing from Ashland s executive management on the status of the transactions. At this meeting, representatives of Credit Suisse First Boston briefed the board on certain financial aspects of the transactions. The board considered various alternatives to the transactions and the opportunities those alternatives would provide to Ashland and its shareholders. Members of Ashland s executive management again reviewed the outlook for New Ashland after giving effect to the transactions. Representatives of Cravath, Swaine & Moore LLP reviewed the board s fiduciary duties. At this meeting, the Ashland board of directors made a determination to meet later that month to further consider the transactions and transaction agreements for adoption, approval and recommendation to Ashland s shareholders.

On March 17 and 18, 2004, the Ashland board of directors met to consider the transactions. Members of Ashland s executive management and representatives of Credit Suisse First Boston and Cravath, Swaine &

Moore LLP made presentations to the board and discussed with the board their views and analyses of the various business, financial, legal and regulatory aspects of the transactions, including a review of the terms and conditions of the transaction agreements. At these meetings, the board considered various alternatives to the transactions and the opportunities those alternatives would provide to Ashland and its shareholders and also considered the outlook for New Ashland after giving effect to the transactions. In addition, the board considered, among other things, the financial results of the maleic anhydride business and the 61 VIOC centers.

On March 17, 2004, members of Ashland s law department reviewed the fiduciary duties of the board. In addition, representatives of Credit Suisse First Boston and Cravath, Swaine & Moore LLP made a presentation on the due diligence regarding Marathon conducted by Ashland and its advisors. On the same date, Houlihan Lokey made a presentation to the board regarding New Ashland s satisfaction of specified solvency-related tests immediately after and giving effect to the transactions and on a pro forma basis, and subsequently confirmed this in its written opinion. AAA also made a presentation to the Ashland board of directors regarding the satisfaction of specified solvency-related tests by Ashland before the transactions, New Ashland immediately after and giving effect to the transactions and on a pro forma basis, and MAP both before the transactions and immediately after and giving effect to the transactions and on a pro forma basis.

On March 18, 2004, representatives of Cravath, Swaine & Moore LLP reviewed the U.S. Federal income tax consequences of the transactions and the principal issues addressed in the tax matters agreement. Representatives of Steptoe & Johnson LLP also provided their independent assessment of the U.S. Federal income tax consequences of the transactions. Representatives of Credit Suisse First Boston made a presentation to the board of directors regarding certain financial aspects of the transactions. In addition, Credit Suisse First Boston delivered its oral opinion, which was subsequently confirmed in writing, to the Ashland board of directors to the effect that the acquisition merger consideration to be received by the holders of shares of Ashland common stock pursuant to the acquisition merger was fair, from a financial point of view, to those holders. After further discussion and deliberation, the Ashland board of directors unanimously adopted and approved the transactions, the transaction agreements and the related ancillary agreements, determined that the terms of the transactions were fair to and in the best interests of Ashland and its shareholders, and recommended that Ashland shareholders vote to approve the transactions and the transaction agreements.

At board meetings held on July 31, 2002, April 30, 2003, July 30, 2003, September 24, 2003, October 29, 2003, November 26, 2003 and January 25, 2004, members of Marathon s management provided the Marathon board of directors with various updates and reports regarding the status of discussions with Ashland relating to the proposed transactions and various related developments. At a board meeting held on February 25, 2004, members of Marathon s management and its financial and legal advisors reviewed with the Marathon board the current status of the proposed transaction and various items relating to: the structure of the proposed transactions; the terms of the proposed transaction agreements; various legal, tax and financial considerations relating to the proposed transactions; the conditions to closing of the proposed transactions; and the timetable for satisfaction of those closing conditions. At a board meeting held on March 18, 2004, members of Marathon s management and its financial advisors provided the Marathon board of directors with an update of the items discussed at the February 25, 2004 board meeting. In addition, representatives of AAA delivered the AAA solvency opinions and the AAA reasonably equivalent value opinion described in the section of this proxy statement/prospectus entitled The Transactions Opinions of American Appraisal Associates, Inc. After discussion and deliberation, the Marathon board of directors unanimously adopted and approved the transactions and the transaction agreements.

The transaction agreements were signed on March 18, 2004, and press releases announcing the transactions were issued prior to the opening of trading on the New York Stock Exchange on March 19, 2004.

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Recommendation of the Ashland Board of Directors

The Ashland board of directors unanimously determined, at a meeting held on March 18, 2004, that the terms of the transactions are fair to and in the best interests of Ashland and its shareholders. Accordingly, at that meeting, the Ashland board of directors unanimously adopted and approved the transactions, transaction agreements and the ancillary agreements relating to the transactions, and unanimously recommended that Ashland shareholders vote FOR the approval of the transactions and the transaction agreements. For a discussion of the benefits and other interests of directors and executive officers of Ashland that are different from or in addition to the interests of other shareholders, see the section of this proxy statement/prospectus entitled The Transactions Interests of Directors and Executive Officers of Ashland. The Ashland board of directors determined that these benefits were such that they would not affect the ability of the members of the Ashland board of directors to discharge their duties.

Ashland s Reasons for the Transactions

In reaching its determination that the terms of the transactions are fair to and in the best interests of Ashland and its shareholders and its decision to unanimously adopt and approve the transactions, the transaction agreements and the ancillary agreements relating to the transactions, and to unanimously recommend that Ashland shareholders approve the transactions and the transaction agreements, the Ashland board of directors consulted with executive management and the financial, legal and other advisors of Ashland, and considered a variety of factors with respect to the transactions, including the following factors:

Elimination of the uncertainties associated with the put/call agreement. The transactions provide timing and valuation certainty to Ashland and its shareholders with respect to Ashland s interest in MAP. The Ashland board of directors and executive management believe that the transactions are superior to a purchase by Marathon of Ashland s interest pursuant to their respective options under the put/call agreement described in the section of this proxy statement/prospectus entitled The Transactions Existing MAP Agreement Put/Call, Registration Rights and Standstill Agreement, which belief was based on a number of factors, including those listed in this proxy statement/prospectus.

Intended tax-free treatment of the transactions for U.S. Federal income tax purposes. The transactions have been structured to be generally tax-free to Ashland and its shareholders. See the section of this proxy statement/prospectus entitled The Transactions Material U.S. Federal Income Tax Consequences of the Transactions.

Ashland s strategic focus. The Ashland board of directors and executive management believe that the transactions complement Ashland s strategic focus outlined in its eight-point profitability improvement plan formulated in October 2002 and are another step in Ashland s strategy of transforming and improving its performance and financial dynamics by focusing on its wholly owned businesses.

Transactions are superior to alternatives. The Ashland board of directors and executive management believe that a more attractive strategic transaction with respect to Ashland s interest in MAP is not achievable by Ashland at this time.

Financial strength and flexibility of New Ashland. The transactions and the intended use of proceeds of the partial redemption and the capital contribution will provide New Ashland with funds sufficient to repurchase, repay or defease outstanding indebtedness, so that New Ashland will have the ability to raise substantial cash through borrowings for investment in New Ashland s businesses. The anticipated financial strength of New Ashland will provide it with increased flexibility, including a greater ability to pursue new product developments and acquisition opportunities.

Ashland shareholders continued participation in MAP. By virtue of their ownership of shares of Marathon common stock upon the closing of the transactions, Ashland shareholders will continue to have an opportunity, though reduced, to participate in the future performance of MAP.

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Removal of the potential for misalignment. The transactions eliminate the potential that a misalignment of the interests of Ashland and Marathon, as co-owners of MAP, could adversely affect MAP s future growth and financial performance.

Executive management recommendation of the transactions. The Ashland board of directors considered the recommendation of the transactions by Ashland executive management.

Opinion of Credit Suisse First Boston. The Ashland board of directors considered the financial presentation of Ashland s financial advisor, Credit Suisse First Boston, including its opinion to the effect that, as of the date of its opinion and based upon and subject to the matters described in its opinion, the acquisition merger consideration to be received by Ashland shareholders pursuant to the acquisition merger was fair, from a financial point of view, to Ashland shareholders.

Opinion of Houlihan Lokey. The Ashland board of directors considered the presentation of Houlihan Lokey, including its opinion, regarding the solvency of New Ashland immediately after and giving effect to the transactions.

Presentation by AAA. The Ashland board of directors considered the presentation by AAA regarding the solvency of Ashland immediately prior to giving effect to the transactions, of New Ashland immediately after giving effect to the transactions and of MAP both immediately prior to and after giving effect to the transactions.

Presentation by Steptoe & Johnson LLP. The Ashland board of directors considered the presentation by Steptoe & Johnson LLP regarding its independent assessment of the material U.S. Federal income tax issues relating to the transactions.

Financial review. The Ashland board of directors considered the business, operations, financial condition, earnings and prospects of each of Ashland, MAP and Marathon and the anticipated business, operations, financial condition, earnings and prospects of New Ashland.

Transaction terms and conditions. The Ashland board of directors and executive management believe that the terms and conditions of the transaction agreements and the ancillary agreements are appropriate for the transactions.

Due diligence. The Ashland board of directors considered the results of the due diligence review of the business, properties and prospects of Marathon conducted by Ashland and its financial and legal advisors.

The Ashland board of directors also identified and considered countervailing factors in its deliberations concerning the transactions and the transaction agreements, including the following:

the possibility that by completing the transactions and foregoing a potential exercise by Marathon of its option to purchase Ashland s interest in MAP under the put/call agreement described in the section of this proxy statement/prospectus entitled The Transactions Existing MAP Agreements Put/Call, Registration Rights and Standstill Agreement, that Ashland would receive less value after taxes than it would have had Marathon exercised its option, because of uncertainties involved in determining the fair market value of Ashland s interest in MAP under the terms of the put/call agreement;

the timing and receipt of the favorable private letter rulings from the Internal Revenue Service, including the possibility of delay in obtaining such rulings or the imposition of unfavorable terms or conditions in order to obtain such rulings;

the risk that the closing of the transactions may not occur and the potential adverse consequences if the closing of the transactions does not occur;

the provisions of the master agreement relating to Ashland s indemnification of Marathon for losses under the circumstances described in the master agreement;

New Ashland s potential liabilities to Marathon under the tax matters agreement, including the matters described in the section of this proxy statement/prospectus entitled Risk Factors ;

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- the risk associated with Ashland s obtaining consents of series of debt issued under the Ashland Public Indenture and the potential adverse consequences if the required consents are not obtained or if the required consents are obtained but any one or more series of Ashland public debt does not consent to the transactions;

- the provisions of the master agreement relating to non-solicitation of competing proposals, termination of the master agreement and payment of a termination fee under the circumstances described in the master agreement and the impact that those obligations may have on potential third party acquirors and on the ability of Ashland to respond to any potential third party offer;

- the possible disruption of Ashland s business that might result from the announcement of the transactions and the diversion of management s attention from Ashland s business because of the transactions; and

- the various risk factors set forth under the section of this proxy statement/prospectus entitled Risk Factors.

The Ashland board of directors determined that these negative factors were outweighed by the potential benefits of the transactions.

This discussion includes the material information and factors the Ashland board of directors considered but is not intended to be exhaustive. In view of the variety of factors and quality and amount of information considered, the Ashland board of directors did not find it practicable to make and did not make specific assessments of, or quantify or assign relative weights to, the specific factors it considered in reaching its determination to unanimously adopt and approve the transactions, the transaction agreements and the ancillary agreements relating to the transactions. Instead, the Ashland board of directors made its determination after consideration of all factors taken together and after thorough discussions with and questioning of its management and financial, legal and other advisors. Individual members of the Ashland board of directors may have given different weight to different factors.

There can be no assurance that any of the potential benefits considered by the Ashland board of directors will be realized. See the sections of this proxy statement/prospectus entitled Risk Factors and Disclosure Regarding Forward Looking Statements.

Marathon s Reasons for the Transactions

Marathon is seeking to acquire Ashland s minority interest in MAP because owning 100% of MAP will provide Marathon with the financial and strategic flexibility to capture and fund growth opportunities in its upstream, downstream and integrated gas business segments. Additionally, the transactions will increase Marathon s ownership in a top-quartile downstream business without the risks commonly associated with integrating a newly acquired business.

Marathon s board of directors, at a meeting held on March 18, 2004, unanimously determined that the terms of the transactions are fair to and in the best interests of Marathon and its stockholders and unanimously approved and adopted the transaction agreements and the transactions. In reaching its decision to approve and adopt the transaction agreements and the transactions, the board of directors considered many factors, including the following strategic benefits Marathon believes will arise from the closing of the transactions:

- **Strong refining and marketing fundamentals.** Marathon believes the outlook for the refining and marketing business is attractive in MAP s core areas of operation. Complete ownership of MAP provides Marathon the opportunity to leverage MAP s access to premium

U.S. markets where Marathon expects the levels of demand to remain high for the foreseeable future and where Marathon expects MAP will continue to have adequate sources of supply of crude oil and other feedstocks.

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Increased source of cash flows from a stable economic and political environment. One of the ways Marathon assesses the economic and political risks associated with its increasingly global businesses is by comparing resources from member countries of the Organisation for Economic Co-operation and Development (OECD), including the United States, with resources from non-OECD countries. MAP provides Marathon with a source of high-quality OECD cash flow, which Marathon believes enhances the geographical balance in Marathon s overall risk portfolio. Further, the increase in Marathon s long-term OECD cash flows that will result from the transactions will enhance Marathon s financial flexibility to expand its upstream and integrated gas businesses in non-OECD countries.

Accretion to earnings and cash flow. Assuming the transactions close before the end of 2004, Marathon expects the combined effect of its recently completed equity offering and the transactions to be dilutive on an earnings-per-share basis in 2004, as a result of the difference in the timing of the equity offering and the closing of the transactions. However, Marathon anticipates the transactions will be accretive to earnings per share and cash flow beginning in 2005.

Elimination of uncertainties associated with the put/call agreement. Under the terms of the put/call agreement described in the section of this proxy statement/prospectus entitled The Transactions Existing MAP Agreements Put/Call, Registration Rights and Standstill Agreement, on and after December 31, 2004, Marathon has the option to purchase Ashland s interest in MAP at a cash purchase price equal to the fair market value of the interest plus a 15% premium. Similarly, after December 31, 2004, Ashland has the option to sell that interest to Marathon Oil Company for a purchase price in cash and/or Marathon debt or equity securities equal to the fair market value of the interest less a 15% discount (10% to the extent equity securities are used). The master agreement provides that the parties cannot exercise their respective options unless the master agreement is terminated in accordance with its terms. The transactions eliminate the timing and valuation uncertainties associated with the exercise of the respective options, as well as the associated premium and discount.

Removal of the potential for misalignment. The transactions eliminate the potential that a misalignment of the interests of Ashland and Marathon, as co-owners of MAP, could adversely affect MAP s future growth and financial performance.

This discussion includes the material information and factors the Marathon board of directors considered but is not intended to be exhaustive. In view of the variety of factors and quality and amount of information considered, the Marathon board of directors did not find it practicable to make and did not make specific assessments of, or quantify or assign relative weights to, the specific factors it considered in reaching its determination to approve and adopt the transaction agreements and the transactions. Instead, the Marathon board of directors made its determination after consideration of all factors taken together and after thorough discussions with and questioning of its management and legal, financial and other advisors. Individual members of the Marathon board of directors may have given different weight to different factors.

There can be no assurance that any of the potential benefits considered by the Marathon board of directors will be realized. See the sections of this proxy statement/prospectus entitled Risk Factors and Disclosure Regarding Forward-Looking Statements.

O pinion of Ashland s Financial Advisor

Credit Suisse First Boston has acted as financial advisor to Ashland in connection with the transactions. Ashland selected Credit Suisse First Boston based upon Credit Suisse First Boston s experience, reputation and familiarity with the business sectors in which Ashland, MAP and Marathon conduct their respective businesses. Credit Suisse First Boston is an internationally recognized investment banking firm and is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, leveraged buyouts, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes.

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In connection with Credit Suisse First Boston s engagement, the board of directors of Ashland requested that Credit Suisse First Boston evaluate the fairness, from a financial point of view, to the holders of Ashland s common stock, other than Marathon and its affiliates, of the acquisition merger consideration to be received by those shareholders pursuant to the acquisition merger. On March 18, 2004, at a meeting of the board of directors of Ashland held to evaluate the transactions, Credit Suisse First Boston delivered to the board of directors its opinion to the effect that, as of that date and based upon and subject to the matters described in its opinion, the acquisition merger consideration to be received pursuant to the acquisition merger was fair, from a financial point of view, to the holders of Ashland s common stock, other than Marathon and its affiliates. Credit Suisse First Boston assumed, with the consent of the board of directors of Ashland, that the holders of Ashland s common stock will, by means of the reorganization merger, be the holders of ATB Holdings s common stock entitled to receive the acquisition merger consideration pursuant to the acquisition merger.

The full text of Credit Suisse First Boston s written opinion to the board of directors, dated March 18, 2004, which sets forth the procedures followed, assumptions made, matters considered and limitations of the review undertaken, is attached as Annex I to this proxy statement/prospectus and is incorporated by reference in this proxy statement/prospectus. Holders of Ashland s common stock are encouraged to read this opinion carefully and in its entirety. Credit Suisse First Boston s opinion was provided to the board of directors in connection with its evaluation of the acquisition merger consideration and relates only to the fairness, from a financial point of view, of the acquisition merger consideration to be received by the holders of Ashland s common stock, other than Marathon and its affiliates, does not address any other aspect of the transactions or any related transactions and does not constitute a recommendation to any Ashland shareholder as to any matter relating to the transactions or any related transactions, including how such shareholder should vote or act. The summary of Credit Suisse First Boston s opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion.

In arriving at its opinion, Credit Suisse First Boston:

- reviewed drafts of the master agreement, the assignment and assumption agreement (maleic business), the assignment and assumption agreement (VIOC centers), the tax matters agreement, the amendment to the MAP limited liability company agreement and related documents and other agreements;
- reviewed publicly available business and financial information relating to Ashland, Marathon and MAP;
- reviewed other information, including financial forecasts, that were provided to Credit Suisse First Boston by Ashland, Marathon and MAP;
- discussed the business and prospects of Ashland, New Ashland, Marathon, MAP, the maleic anhydride business and the VIOC centers with Ashland s, Marathon s and MAP s management;
- considered financial and stock market data of Ashland, New Ashland (on a pro forma basis) and Marathon, and financial data of MAP, the maleic anhydride business and the VIOC centers, and compared those data with similar data for publicly held companies in businesses similar to Ashland, New Ashland (on a pro forma basis), Marathon, MAP, the maleic anhydride business and the VIOC centers;
- considered, to the extent publicly available, the financial terms of certain other business combinations and other transactions which have recently been announced or effected; and
- considered other information, financial studies, analyses and investigations and financial, economic and market criteria which it deemed relevant.

In connection with its review, Credit Suisse First Boston did not assume any responsibility for independent verification of any of the information that it reviewed or considered and relied on that information being complete and accurate in all material respects. With respect to the financial forecasts (including forecasts relating to the maleic anhydride business and the VIOC centers prepared by Ashland together with an investment banking firm retained by Ashland and Marathon), Credit Suisse First Boston was advised, and assumed, that they were

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reasonably prepared on bases reflecting the best currently available estimates and judgments of Ashland s, Marathon s and MAP s management as to the future financial performance of Ashland, New Ashland, Marathon, MAP, the maleic anhydride business and the VIOC centers. Credit Suisse First Boston was not requested to make, and did not make, an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Ashland, Marathon, MAP, the maleic anhydride business or the VIOC centers. Credit Suisse First Boston s opinion was necessarily based upon information available to it, and financial, economic, market and other conditions as they existed and could be evaluated, on the date of its opinion. Credit Suisse First Boston did not express any opinion as to the actual value of the New Ashland common stock or the Marathon common stock when issued or distributed pursuant to the acquisition merger or the prices at which such common stock would trade at any time. Credit Suisse First Boston relied on the views and assessments of the management of Ashland with respect to the MAP accounts receivable to be distributed to Ashland as part of the partial redemption and assumed without independent verification that their valuations thereof represented reasonable estimates with respect to the value of those accounts receivable.

Credit Suisse First Boston assumed, with the consent of the board of directors of Ashland, that in the course of obtaining the necessary regulatory and third party approvals and consents for the transactions and related transactions, no modification, delay (beyond the outside date for closing (as defined in this proxy statement/prospectus and the master agreement)), limitation, restriction or condition would be imposed that would have an adverse effect on New Ashland or Marathon or the contemplated benefits of the transactions or related transactions in any respect material to its analysis. Credit Suisse First Boston also assumed, with the consent of the board of directors of Ashland, that the transactions and related transactions would be consummated in accordance with the terms of the master agreement, the assignment and assumption agreement (maleic business), the assignment and assumption agreement (VIOC centers), the tax matters agreement and the MAP limited liability company agreement amendment and related documents and agreements, and that the parties would comply with their respective obligations under these agreements and documents, in each case, without waiver, modification or amendment of any material terms, conditions or agreements, and in compliance with all applicable laws (including, without limitation, laws relating to insolvency and fraudulent conveyance and to the payment of dividends). Credit Suisse First Boston assumed that all documents and agreements which it reviewed in draft form would not, when finalized or executed, differ from the drafts it reviewed in any respect material to its analysis. Credit Suisse First Boston also assumed, with the consent of the board of directors, that the receipt of the ATB Holdings common stock in connection with the reorganization merger, and the receipt of the Marathon common stock and the New Ashland common stock in connection with the acquisition merger, would be tax-free for United States federal income tax purposes to the shareholders of Ashland, and that none of Marathon, Ashland, New Ashland or any of their respective affiliates would recognize material income, gain or loss for United States federal income tax purposes as a result of the transactions or related transactions.

Credit Suisse First Boston s opinion did not address the relative merits of the transactions or any related transactions compared to other business strategies that might be available to Ashland, nor did it address the underlying business decision of Ashland to proceed with the transactions or any related transactions. Credit Suisse First Boston was not requested to, and did not, solicit third party indications of interest in acquiring all or any part of Ashland, Ashland s interest in MAP, the maleic anhydride business or the VIOC centers.

In preparing its opinion to the board of directors, Credit Suisse First Boston performed a variety of financial and comparative analyses, including those described below. The summary of Credit Suisse First Boston s analyses described below is not a complete description of the analyses underlying Credit Suisse First Boston s opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Credit Suisse First Boston made qualitative judgments as to the significance and relevance of each analysis and factor that it considered. Accordingly, Credit Suisse First Boston believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In its analyses, Credit Suisse First Boston considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Ashland, New Ashland and Marathon. No company, transaction or business used in Credit Suisse First Boston s analyses as a comparison is identical to Ashland, New Ashland, Marathon, MAP, the maleic anhydride business or the VIOC centers or the proposed transactions, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, business segments or transactions analyzed. The estimates contained in Credit Suisse First Boston s analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, Credit Suisse First Boston s analyses are inherently subject to substantial uncertainty.

Credit Suisse First Boston s opinion and financial analyses were only one of many factors considered by the board of directors of Ashland in its evaluation of the proposed transactions and should not be viewed as determinative of the views of the board of directors or Ashland s management with respect to the transactions or the acquisition merger consideration. Although Credit Suisse First Boston evaluated the acquisition merger consideration from a financial point of view, it was not requested to, and did not, determine or recommend the specific consideration to be paid in the transactions.

The following is a summary of the material financial analyses underlying Credit Suisse First Boston s opinion dated March 18, 2004 delivered to the board of directors of Ashland in connection with the transactions. The financial analyses summarized below include information presented in tabular format. In order to fully understand Credit Suisse First Boston s financial analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Credit Suisse First Boston s financial analyses.

MAP

Discounted Cash Flow Analysis. A discounted cash flow analysis is generally used to calculate a valuation range for a company by calculating the present value of the expected cash flows that will be generated by the company, discounted at a rate that reflects the uncertainty of these estimated future cash flows. Credit Suisse First Boston performed a discounted cash flow analysis of MAP to calculate the estimated present value of the stand-alone, unlevered, after-tax free cash flows that MAP could generate based on the following scenarios:

Normalized EBITDA Cases of $1.2 Billion, $1.3 Billion and $1.4 Billion. Ashland s management prepared estimates of MAP s financial performance for calendar years 2004 through 2008, including estimates of earnings before interest, taxes, depreciation and amortization, which is referred to as EBITDA. Ashland s management then adjusted these estimates of EBITDA to exclude the estimated effects of cyclical factors to calculate mid-cycle earnings, which is referred to as Normalized EBITDA. Ashland s management prepared these different scenarios for Normalized EBITDA of $1.2 billion, $1.3 billion and $1.4 billion. These scenarios are referred to as the $1.2 Billion Case, the $1.3 Billion Case and the $1.4 Billion Case, respectively.

2003-2005 Business/Tactical Plan. The 2003-2005 Business/Tactical Plan was based on financial projections prepared by MAP s management for calendar years 2004 and 2005.

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Credit Suisse First Boston used discount rates of 9.0% to 10.0% based on analyses of weighted average costs of capital for comparable public companies and assumed terminal EBITDA multiples of 5.0x to 6.0x 2008 EBITDA (estimated) for the $1.2 Billion Case, the $1.3 Billion Case and the $1.4 Billion Case and 2005 EBITDA (estimated) for the 2003-2005 Business/Tactical Plan, each based on analyses of trading multiples of comparable public companies as described below.

Credit Suisse First Boston calculated the following implied enterprise values of Ashland s interest in MAP based on the discounted cash flow analysis described above:

($ in millions)

	IMPLIED ENTERPRISE VALUE OF MAP INTEREST	
	LOW	**HIGH**
$1,200 Case	$ 2,121	$ 2,503
$1,300 Case	$ 2,326	$ 2,741
$1,400 Case	$ 2,532	$ 2,980
2003-2005 Business/Tactical Plan	$ 2,540	$ 3,041

Based on the discounted cash flow analysis and implied enterprise values described above, Credit Suisse First Boston derived the following enterprise value reference range for Ashland s interest in MAP, and compared this reference range to the valuation of MAP implied by the transactions, referred to as the MAP Attributable Valuation, and an estimate of the pre-tax equivalent of the MAP Attributable Valuation based on Ashland s tax basis attributable to its interest in MAP of approximately $1.2 billion (as calculated by Ashland s management).

($ in millions)

IMPLIED ENTERPRISE VALUE OF MAP INTEREST			
ENTERPRISE VALUE REFERENCE RANGE		MAP ATTRIBUTABLE VALUATION	
LOW	**HIGH**	**IMPLIED**	**PRE-TAX EQUIVALENT**
$2,400	$ 3,000	$ 2,915	$ 3,972

Comparable Acquisitions Analysis. Using publicly available information, Credit Suisse First Boston analyzed information relating to the following selected acquisitions. The transactions used in the analysis were selected because they involved the acquisition of companies engaged in businesses that are reasonably similar to that of MAP and because these companies have operating profiles and financial statistics that are similar to those of MAP.

ACQUIROR	TARGET
Premcor	Motiva
Frontier Oil	Holly Corporation
Shell / Saudi Aramco	Texaco
Valero	UDS
Phillips	Tosco
UDS	TOPNA
Tosco	Unocal
Ultramar	Diamond Shamrock

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For each of the selected comparable acquisitions, Credit Suisse First Boston calculated the multiple of enterprise value (which is defined as market value of equity plus short and long-term debt plus preferred stock less cash and cash equivalents) to the target company s last twelve months, or LTM, EBITDA. The following table sets forth the mean and median multiples derived from this analysis:

	ENTERPRISE VALUE / LTM EBITDA
Mean	6.6x
Median	5.9x

Credit Suisse First Boston calculated implied enterprise values for Ashland s interest in MAP by applying multiples to MAP s 2003 EBITDA (actual) and MAP s Normalized 2003 EBITDA (estimated) of $1.3 billion prepared by Ashland s management, using a range of 5.5x to 6.5x. Credit Suisse First Boston derived the following reference range of implied enterprise values for Ashland s interest in MAP, and compared this range to the MAP Attributable Valuation and an estimate of the pre-tax equivalent of the MAP Attributable Valuation based on Ashland s tax basis attributable to its interest in MAP of approximately $1.2 billion (as calculated by Ashland s management).

($ in millions)

	IMPLIED ENTERPRISE VALUE OF MAP INTEREST		MAP ATTRIBUTABLE VALUATION	
	LOW	HIGH	IMPLIED	PRE-TAX EQUIVALENT
Normalized 2003 EBITDA (estimated)	$ 2,717	$ 3,211	$ 2,915	$ 3,972
2003 EBITDA (actual)	$ 2,481	$ 2,932	$ 2,915	$ 3,972

Comparable Public Companies Analysis. Credit Suisse First Boston compared financial data relating to MAP to financial data relating to the following publicly traded companies that have similar operations to MAP:

Premcor

Tesoro

Sunoco

Valero

For each of the above comparable public companies, Credit Suisse First Boston calculated market value, enterprise value, and enterprise value as a multiple of 2003 EBITDA (actual) and 2004 EBITDA (estimated) derived from publicly available analyst research reports.

For purposes of calculating the enterprise value as a multiple of 2003 EBITDA (actual) and 2004 EBITDA (estimated) for each comparable company, Credit Suisse First Boston used the closing price per share of that company s common stock on March 5, 2004. The following table sets forth the mean multiples derived from these analyses:

	ENTERPRISE VALUE /EBITDA	
	2003A	**2004E**
Mean	5.8x	5.9x

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Credit Suisse First Boston calculated the implied enterprise value of Ashland s interest in MAP by applying multiples to MAP s 2003 EBITDA (actual) of $1.187 billion, and to MAP s Normalized 2003 EBITDA (estimated) of $1.3 billion and Normalized 2004 EBITDA (estimated) of $1.3 billion, each prepared by Ashland s management, using a range of 5.0x to 6.0x for 2003 EBITDA (actual) and Normalized 2003 EBITDA (estimated), and 5.5x to 6.0x for Normalized 2004 EBITDA (estimated). Credit Suisse First Boston derived the following range of implied enterprise values for Ashland s interest in MAP:

($ in millions)

	IMPLIED ENTERPRISE VALUE OF MAP INTEREST	
	LOW	HIGH
2003 EBITDA (actual)	$ 2,255	$ 2,706
Normalized 2003 EBITDA (estimated)	$ 2,470	$ 2,964
Normalized 2004 EBITDA (estimated)	$ 2,717	$ 2,964

Based on the comparable public companies analysis described above, Credit Suisse First Boston derived the following enterprise value reference range for Ashland s interest in MAP, and compared this reference range to the MAP Attributable Valuation and an estimate of the pre-tax equivalent of the MAP Attributable Valuation based on Ashland s tax basis attributable to its interest in MAP of approximately $1.2 billion (as calculated by Ashland s management).

($ in millions)

IMPLIED ENTERPRISE VALUE OF MAP INTEREST			
ENTERPRISE VALUE REFERENCE RANGE		MAP ATTRIBUTABLE VALUATION	
LOW	HIGH	IMPLIED	PRE-TAX EQUIVALENT
$2,200	$ 3,000	$ 2,915	$ 3,972

Maleic Anhydride Business

Discounted Cash Flow Analysis. Credit Suisse First Boston performed a discounted cash flow analysis based on projections prepared by Ashland together with an investment banking firm retained by Ashland and Marathon for fiscal years 2004 through 2009, which are referred to as Management Estimates. Credit Suisse First Boston used discount rates of 11.0% to 12.0% based on analyses of weighted average costs of capital for comparable public companies and assumed terminal EBITDA multiples of 5.0x to 6.0x 2009 EBITDA (estimated) based on analyses of trading multiples of comparable public companies as described below.

Credit Suisse First Boston calculated the following implied enterprise values for the maleic anhydride business based on the discounted cash flow analyses described above:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
Management Estimates	$ 53.6	$ 62.8

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Comparable Acquisitions Analysis. Using publicly available information, Credit Suisse First Boston analyzed information relating to the following selected acquisitions. The transactions used in the analysis were selected because they involved the acquisition of companies engaged in businesses that are reasonably similar to that of the maleic anhydride business and because these companies have operating profiles and financial statistics that are similar to those of the maleic anhydride business.

ACQUIROR	TARGET
Blackstone Capital Partners	Celanese AG
Bear Stearns	Lonza-Polymer
Investor Group	Cognis
Ineos Plc	Degussa Phenolchemie
Sasol	CONDEA

For each of the selected comparable acquisitions, Credit Suisse First Boston calculated the ratio of enterprise value to the target company s last twelve months, or LTM, EBITDA. The following table sets forth the mean and median multiples derived from these analyses:

	ENTERPRISE VALUE / LTM EBITDA
Mean	5.7x
Median	5.6x

Credit Suisse First Boston calculated implied enterprise values by applying multiples to the maleic anhydride business s 2003 EBITDA (actual) of $11.2 million and Normalized 2003 EBITDA (estimated) of $10.2 million provided by Ashland s management, using a range of 5.0x to 6.0x. Credit Suisse First Boston derived the following implied enterprise values for the maleic anhydride business:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
Normalized 2003 EBITDA (estimated)	$ 51.2	$ 61.4
2003 EBITDA (actual)	$ 55.9	$ 67.0

Based on the comparable acquisitions analysis described above, Credit Suisse First Boston derived the following enterprise value reference range for the maleic anhydride business:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
Enterprise Value Reference Range	$ 55.0	$ 65.0

Comparable Public Companies Analysis. Credit Suisse First Boston compared financial data relating to the maleic anhydride business to financial data relating to the following publicly traded companies that have similar operations to the maleic anhydride business:

Georgia Gulf

Acetex

Methanex

Stepan

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For each of the above comparable public companies, Credit Suisse First Boston calculated market value, enterprise value, and enterprise value as a multiple of 2003 EBITDA (actual) and 2004 EBITDA (estimated) derived from publicly available analyst research reports.

For purposes of calculating the enterprise value as a multiple of 2003 EBITDA (actual) and 2004 EBITDA (estimated) for each comparable company, Credit Suisse First Boston used the closing price per share of that company s common stock on March 5, 2004. The following table sets forth the mean multiples derived from this analysis:

	ENTERPRISE VALUE / EBITDA	
	2003A	2004E
Mean	7.1x	5.6x

Credit Suisse First Boston calculated the implied enterprise value of the maleic anhydride business by applying multiples to the maleic anhydride business s 2003 EBITDA (actual) of $11.2 million, and to the maleic anhydride business s Normalized 2003 EBITDA (estimated) of $10.2 million and 2004 EBITDA (estimated) of $8.4 million, each provided by Ashland s management, using a range of 5.5x to 6.5x for 2003 EBITDA (actual) and 5.0x to 6.0x for Normalized 2003 EBITDA (estimated) and 2004 EBITDA (estimated). Credit Suisse First Boston derived the following range of implied enterprise values for the maleic anhydride business:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
Normalized 2003 EBITDA (estimated)	$ 51.2	$ 61.4
2003 EBITDA (actual)	$ 61.4	$ 72.6
2004 EBITDA (estimated)	$ 41.8	$ 50.2

Based on the comparable public companies analysis described above, Credit Suisse First Boston derived the following enterprise value reference range for the maleic anhydride business:

($ in millions)

IMPLIED

ENTERPRISE VALUE

	LOW	HIGH
Enterprise Value Reference Range	$ 50.0	$ 60.0

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VIOC Centers

Discounted Cash Flow Analysis. Credit Suisse First Boston performed a discounted cash flow analysis based on projections prepared by Ashland together with an investment banking firm retained by Ashland and Marathon for fiscal years 2004 through 2009, which are referred to as Management Estimates. Credit Suisse First Boston used discount rates of 11.0% to 12.0% based on analyses of weighted average costs of capital for comparable public companies and assumed terminal EBITDA multiples of 6.5x to 7.5x 2009 EBITDA (estimated) based on analyses of trading multiples of comparable public companies as described below.

Credit Suisse First Boston calculated the following implied enterprise values for the VIOC centers based on the discounted cash flow analyses described above:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	**HIGH**
Management Estimates	$ 38.7	$ 44.1

Comparable Acquisitions Analysis. Using publicly available information, Credit Suisse First Boston analyzed information relating to the following selected acquisitions. The transactions used in the analysis were selected because they involved the acquisition of companies engaged in businesses that are reasonably similar to that of the VIOC centers and because these companies have operating profiles and financial statistics that are similar to those of the VIOC centers.

ACQUIROR	TARGET
TBC Corporation	National Tire & Battery
Pantry	Golden Gallon
Carousel Capital & Halifax	Meineke Car Care Centers
Advance Auto Parts	Discount Auto Parts
Oak Hill	Travel Centers of America
Europe Auto Distribution	Finelist Group PLC
AutoZone, Inc.	Chief Auto Parts, Inc.

For each of the selected comparable acquisitions, Credit Suisse First Boston calculated the ratio of enterprise value to the target company s last twelve months, or LTM, EBITDA. The following table sets forth the mean and median multiples derived from this analysis.

ENTERPRISE VALUE /

	LTM EBITDA
Mean	6.8x
Median	6.9x

Credit Suisse First Boston calculated the implied enterprise value of the VIOC centers by applying multiples to the VIOC centers 2003 EBITDA (actual) of $5.3 million, using a range of 6.5x to 7.5x. Credit Suisse First Boston derived the following range of implied enterprise values for the VIOC centers:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
2003 EBITDA (actual)	$ 34.4	$ 39.7

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Comparable Public Companies Analysis. Credit Suisse First Boston compared financial data relating to the VIOC centers to financial data relating to the following publicly traded companies that have similar operations to the VIOC centers:

Autozone

Canadian Tire

Advance Auto Parts

CSK Auto

Pantry

Ryan s Family Steak Houses

Monro Muffler

Frisch s Restaurants

Quality Dining

For each of the above comparable public companies, Credit Suisse First Boston calculated market value, enterprise value, and enterprise value as a multiple of 2003 EBITDA (actual) and 2004 EBITDA (estimated) derived from publicly available analyst research reports.

For purposes of calculating the enterprise value as a multiple of 2003 EBITDA (actual) and 2004 EBITDA (estimated) for each comparable company, Credit Suisse First Boston used the closing price per share of that company s common stock on March 5, 2004. The following table sets forth the mean and median multiples derived from this analysis:

	ENTERPRISE VALUE / EBITDA	
	2003A	**2004E**
Mean	7.8x	7.2x
Median	8.1x	7.6x

Credit Suisse First Boston calculated the implied enterprise value of the VIOC centers by applying multiples to the VIOC centers 2003 EBITDA (actual) of $5.3 million and 2004 EBITDA (estimated) of $5.9 million provided by Ashland s management, using a range of 7.0x to 8.0x for 2003 EBITDA (actual) and 6.5x to 7.5x for 2004 EBITDA (estimated). Credit Suisse First Boston derived the following range of implied enterprise values for the VIOC centers:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
2003 EBITDA (actual)	$ 37.0	$ 42.3
2004 EBITDA (estimated)	$ 38.3	$ 44.2

Based on the comparable public companies analysis described above, Credit Suisse First Boston derived the following enterprise value reference range for the VIOC centers:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
Enterprise Value Reference Range	$ 37.0	$ 44.0

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Maleic Anhydride Business and VIOC Centers

Discounted Cash Flow Analysis. Based on the discounted cash flow analyses and implied enterprise values described above for each of the maleic anhydride business and the VIOC centers, Credit Suisse First Boston derived the following aggregate enterprise value reference range for the maleic anhydride business and the VIOC centers, and compared this reference range to the aggregate valuation of the maleic anhydride business and the VIOC centers implied by the transactions, referred to as the Maleic/VIOC Attributable Valuation:

($ in millions)

IMPLIED ENTERPRISE VALUE		
ENTERPRISE VALUE REFERENCE RANGE		
LOW	HIGH	MALEIC/VIOC ATTRIBUTABLE VALUATION
$92.3	$106.9	$94.1

Comparable Acquisitions Analysis. Based on the comparable acquisitions analyses described above for each of the maleic anhydride business and the VIOC centers, Credit Suisse First Boston derived the following aggregate enterprise value reference range for the maleic anhydride business and the VIOC centers, and compared this reference range to the Maleic/VIOC Attributable Valuation:

($ in millions)

IMPLIED ENTERPRISE VALUE		
ENTERPRISE VALUE REFERENCE RANGE		
LOW	HIGH	MALEIC/VIOC ATTRIBUTABLE VALUATION
$89.4	$104.7	$94.1

Comparable Public Companies Analysis. Based on the comparable public companies analyses described above for each of the maleic anhydride business and the VIOC centers, Credit Suisse First Boston derived the following aggregate enterprise value reference range for the maleic anhydride business and the VIOC centers, and compared this reference range to the Maleic/VIOC Attributable Valuation:

($ in millions)

IMPLIED ENTERPRISE VALUE		
ENTERPRISE VALUE REFERENCE RANGE		
LOW	HIGH	MALEIC/VIOC ATTRIBUTABLE VALUATION
$87.0	$104.0	$94.1

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New Ashland

Discounted Cash Flow Analysis. Credit Suisse First Boston performed a discounted cash flow analysis based on financial projections of New Ashland prepared by Ashland s management, which are referred to as Management Estimates, for fiscal years 2004 through 2008. Credit Suisse First Boston used discount rates of 9.5% to 10.5% based on analyses of weighted average costs of capital for comparable public companies and assumed terminal EBITDA multiples of 6.5x to 7.5x based on analyses of trading multiples of comparable public companies as described below.

Credit Suisse First Boston calculated the following implied enterprise values for New Ashland based on the discounted cash flow analyses described above:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
Management Estimates	$ 2,806	$ 3,279

Comparable Public Companies Analysis. Credit Suisse First Boston compared financial data relating to each business of New Ashland to financial data relating to the following publicly traded companies that have similar operations to the respective businesses of New Ashland:

Transportation Construction Business (APAC)

Vulcan Materials

Martin Marietta Materials

Florida Rock

Granite Construction

Specialty Chemicals Business

Rohm & Haas

Cytec Industries

HB Fuller

Arch Chemicals

Distribution Business

Univar N.V.

A. Schulman

Valvoline Business

Clorox

Scotts Co

WD-40

For each of the above comparable public companies, Credit Suisse First Boston calculated market value, enterprise value, and enterprise value as a multiple of 2004 EBITDA (estimated) derived from publicly available analyst research reports. For purposes of calculating the enterprise value as a multiple of 2004 EBITDA (estimated) for each comparable company, Credit Suisse First Boston used the closing price per share of that company s common stock on March 5, 2004.

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Using 2004 EBITDA estimates provided by Ashland s management, Credit Suisse First Boston applied a range of EBITDA multiples derived from its analysis of the comparable public companies of 6.5x to 8.0x to 2004 EBITDA (estimated) for APAC, 6.0x to 8.0x to 2004 EBITDA (estimated) for the specialty chemicals business of Ashland, 5.0x to 6.0x to 2004 EBITDA (estimated) for the distribution business of Ashland, and 9.0x to 10.0x to 2004 EBITDA (estimated) for the Valvoline business of Ashland. Credit Suisse First Boston then calculated weighted average, or blended, multiples for New Ashland based on the relative contribution of each of the above businesses to New Ashland s 2004 EBITDA (estimated). The following table sets forth the implied blended multiples derived from this analysis:

	ENTERPRISE VALUE / 2004 EBITDA	
	LOW	HIGH
Blended Mean	6.7x	8.1x

Credit Suisse First Boston then calculated the implied enterprise value of New Ashland by applying multiples to New Ashland s 2004 EBITDA (estimated) provided by Ashland s management, using a range of 6.5x to 7.5x. Credit Suisse First Boston derived the following range of implied enterprise values for New Ashland:

($ in millions)

	IMPLIED ENTERPRISE VALUE	
	LOW	HIGH
Estimated 2004 EBITDA	$ 2,803	$ 3,234

New Ashland Valuation. Based on the discounted cash flow analysis and comparable public companies analysis described above, Credit Suisse First Boston derived the following enterprise value range for New Ashland:

($ in millions)

	ENTERPRISE VALUE RANGE		
	LOW	MID	HIGH
Enterprise Value Reference Range	$ 2,800	$ 3,050	$ 3,300

Based on financial data provided by Ashland s management, Credit Suisse First Boston calculated an estimate of New Ashland s net cash balance immediately following the closing of the transactions (which Credit Suisse First Boston defined, for purposes of this analysis, as existing cash and cash equivalents *plus* cash and cash equivalents received as a result of the transactions (other than cash and cash equivalents received pursuant to the partial redemption in an amount equal to 38% of the cash held by MAP as of the closing of the transactions) *minus* estimated market value of short and long term debt *minus* certain off-balance sheet obligations *minus* transaction costs). Credit Suisse First Boston then calculated implied equity value per New Ashland share based on three scenarios of 50%, 75% and 100% of the value of New Ashland s estimated net cash balance being reflected in the per share equity value. In making this calculation, Credit Suisse First Boston assumed a discount of $3.50 per New Ashland share, or approximately $249 million, for potential asbestos liabilities based on data derived from publicly available analyst research reports.

Based on the enterprise value reference range, the net cash balance calculation and the assumed asbestos discount described above, and assuming 71 million outstanding shares of New Ashland common stock (based on data provided by Ashland s management), Credit Suisse First Boston derived the following range of implied equity values per New Ashland share. These implied equity values exclude the value of Marathon common stock to be received by Ashland s shareholders in the transactions. Credit Suisse First Boston did not express any opinion as to the actual value of the New Ashland common stock when issued or distributed or the prices at which the New Ashland common stock would trade at any time.

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($ in millions, except per share data)

ATTRIBUTABLE % OF CASH BALANCE	ATTRIBUTABLE VALUE OF CASH BALANCE	IMPLIED EQUITY VALUE PER NEW ASHLAND SHARE — ENTERPRISE VALUE RANGE $2,800	$3,050	$3,300
100%	$ 608	$44.50	$48.02	$51.54
75%	$ 456	$42.36	$45.88	$49.40
50%	$ 304	$40.22	$43.74	$47.26

Other Factors. In the course of preparing its opinion, Credit Suisse First Boston also reviewed other information and data, including:

actual EBITDA for MAP for the period from 1998 to 2003, and estimated EBITDA for MAP for 2004 and 2005 based on publicly available analyst research reports;

public trading multiples of majors, including Exxon Mobil, BP, Royal Dutch/Shell, TOTAL and ChevronTexaco, and domestic integrated oil companies**,** including ConocoPhillips, Marathon and Amerada Hess; and

historical market price performance of Ashland common stock and Marathon common stock during the 12-month period from March 5, 2003 to March 5, 2004.

Ashland has agreed to pay Credit Suisse First Boston customary fees for its financial advisory services in connection with the transactions, a significant portion of which are contingent upon the closing of the transactions. Ashland also has agreed to reimburse Credit Suisse First Boston for its out-of-pocket expenses, including the fees and expenses of its outside legal counsel and any other advisor retained by Credit Suisse First Boston, and to indemnify Credit Suisse First Boston and related parties against liabilities, including liabilities under the federal securities laws, arising out of its engagement.

Credit Suisse First Boston and its affiliates in the past have provided, are currently providing and may in the future provide financial and investment banking services to Ashland and its affiliates, and in the past have provided, are currently providing and may in the future provide financial and investment banking services to Marathon and its affiliates unrelated to the proposed transactions, for which services Credit Suisse First Boston and its affiliates have received, and expect to receive, compensation. Credit Suisse First Boston is also a participant lender in Marathon s revolving credit facility and acted as financial advisor to USX Corporation in connection with the reorganization of USX Corporation that resulted in the separation of Marathon and United States Steel. In the ordinary course of business, Credit Suisse First Boston and its affiliates may actively trade the securities of Ashland and Marathon, and in the future may actively trade the securities of New Ashland and Marathon, for their own accounts and for the accounts of customers and, accordingly, may at any time hold long or short positions in those securities.

Opinions of American Appraisal Associates, Inc.

The preparation of a solvency opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Nevertheless, the following is a summary of AAA s solvency opinions addressed to the board of directors of Marathon and provided to the board of directors of Ashland and dated March 18, 2004. We refer to these opinions as the AAA solvency opinions. This summary does not purport to be a complete statement of the analyses and procedures applied, judgments made or conclusions reached by AAA or a complete description of the AAA solvency opinions. In the AAA solvency opinions, AAA stated that, based on the considerations set forth therein and on other factors it deemed relevant, it was of the opinion that, assuming the transactions are consummated substantially as proposed, as of an assumed effective date of September 30, 2004:

the fair value of the aggregate assets of each of Ashland and MAP, before consummation of the transactions, and each of MAP and New Ashland, after consummation of the transactions, will exceed their respective total liabilities (including subordinated, unmatured, unliquidated, disputed and contingent liabilities);

the present fair saleable value of the aggregate assets of each of Ashland and MAP, before consummation of the transactions, and each of MAP and New Ashland, after consummation of the transactions, will exceed their respective probable liabilities, as they become absolute and mature;

each of Ashland and MAP, before consummation of the transactions, and each of MAP and New Ashland, after consummation of the transactions, will be able to pay their respective liabilities as they mature and come due;

each of Ashland and MAP, before consummation of the transactions, and each of MAP and New Ashland, after consummation of the transactions, will not have unreasonably small capital for the business in which it is engaged, as its management has stated its business is conducted or proposed to be conducted; and

immediately before and after giving effect to the transactions, the fair value of the aggregate assets of MAP will exceed all liabilities of MAP, other than liabilities to members of MAP on account of their limited liability company interests.

The preparation of a reasonably equivalent value opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Nevertheless, the following is a summary of AAA s reasonably equivalent value opinion addressed to the board of directors of Marathon and dated March 18, 2004. We refer to this opinion as the AAA reasonably equivalent value opinion. This summary does not purport to be a complete statement of the analyses and procedures applied, judgments made or conclusions reached by AAA or a complete description of the AAA reasonably equivalent value opinion. In the AAA reasonably equivalent value opinion, AAA stated that, based on the considerations set forth therein and on other factors it deemed relevant, it was of the opinion that, as of the date of that opinion and assuming the transactions are consummated substantially as proposed, the combined value of the partial redemption and the capital contribution is reasonably equivalent to the combined value of Ashland s 38% interest in MAP, the maleic anhydride business and the 61 VIOC centers.

Copies of the AAA solvency opinions and the AAA reasonably equivalent value opinion are attached as Annexes J, K and L to this proxy statement/prospectus, and this summary is qualified in its entirety by reference to those opinions. We urge you to read the AAA solvency opinions and the AAA reasonably equivalent value opinion carefully in their entirety for a description of the procedures followed, factors considered, and assumptions and qualifications made by AAA in reaching its opinions.

The AAA solvency opinions will be updated as of the date of the closing of the transactions, and the closing of the transactions is conditioned on, among other things, Ashland s and Marathon s receipt of those updated opinions. See The Master Agreement Conditions to Closing of the Transactions. Marathon intends to have the AAA reasonably equivalent value opinion updated as of the date of the closing as well; Marathon s receipt of that updated opinion is not, however, a condition to the closing.

In rendering the AAA solvency opinions, AAA valued the aggregate assets, on a consolidated and going concern basis, of each of Ashland and MAP, before consummation of the transactions, and each of MAP and New Ashland, after consummation of and after giving effect to the transactions and the associated liabilities incurred or remaining outstanding in connection with the transactions. The valuations included the aggregate assets of the respective businesses of Ashland s and MAP s business enterprises (total invested capital) represented by their respective total net working capital, tangible plant, property and equipment, and intangible assets (including goodwill) before consummation of, and giving effect to, the transactions and the corresponding assets of MAP and New Ashland after consummation of, and giving effect to, the transactions. For each of Ashland and New Ashland, AAA included in the assets the asbestos insurance reserves estimates by Ashland and included in the liabilities provisions for the claims alleging exposure to asbestos, each as provided by Ashland and as represented by Ashland to have been recorded in accordance with generally accepted accounting principles. AAA stated its belief that these considerations form a reasonable basis to value each of Ashland, MAP and New Ashland, and that nothing had come to its attention that caused it to believe that either of Ashland or

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MAP, before consummation of the transactions, or either of MAP or New Ashland, after consummation of and after giving effect to the transactions and the associated liabilities incurred or remaining outstanding in connection with the transactions, would not be a going concern.

In rendering the AAA reasonably equivalent value opinion, AAA valued the aggregate assets of each of MAP and Ashland s 38% interest in MAP, before consummation of the transactions. The valuations were completed on the same basis as the pre-consummation valuations prepared for the AAA solvency opinions. The valuation of Ashland s 38% interest in MAP also reflected the outstanding debt of MAP.

For purposes of its opinions, the following terms have the meanings set forth below:

Fair value of assets means the amount at which the aggregate assets would change hands between a willing buyer and a willing seller, within a commercially reasonable period of time, each having reasonable knowledge of the relevant facts, neither being under any compulsion to act, with equity to both.

Present fair saleable value of assets means the amount that may be realized if the assets are sold with reasonable promptness in an arm s-length transaction under present conditions in a current market for the sale of assets of a comparable business enterprise.

Contingent liabilities of a specified entity means the maximum estimated amount of liabilities of that entity that are not absolute and which have been identified to AAA, including, but not limited to, liabilities associated with claims alleging exposure to asbestos, the environment and pension obligations, by responsible officers and employees of that entity and its accountants and financial advisors, and such other experts as AAA deemed necessary to consult. AAA, after consultation with responsible officers and employees of the specified entity, and/or such industry, economic and other experts as AAA deemed necessary to consult and rely on, assessed the reasonableness of the estimate of each of the contingent liabilities, in light of all the facts and circumstances existing at the time. Such contingent liabilities may not meet the criteria for accrual under Statement of Financial Accounting Standards No. 5 and, therefore, may not necessarily be recorded as liabilities under generally accepted accounting principles.

Able to pay their respective liabilities as they mature means, with respect to a specified entity, that, assuming the transactions have been consummated as proposed (and taking into consideration, as appropriate, the borrowing capacity available under that entity s borrowing facilities), during the period covered by the financial projections prepared by that entity s management, the specified entity will have the ability in the ordinary course of business to pay its current debt, short-term debt, long-term debt, other contractual obligations and other liabilities, including contingent liabilities, as such debt and other liabilities mature.

Will not have unreasonably small capital for the businesses in which it is engaged means, with respect to a specified entity, that the specified entity will not lack sufficient capital for the needs and anticipated needs for capital of its business, including contingent liabilities, as management of that entity has stated that its business is conducted or proposed to be conducted following the consummation of the transactions.

Reasonably equivalent value means, with respect to the transactions, that the combination of the partial redemption and the capital contribution will constitute realizable commercial value reasonably equivalent to the aggregate realizable commercial value of Ashland s 38% interest in MAP, the VIOC centers and the maleic anhydride business.

The determinations of value for purposes of AAA s opinions were based on the generally accepted valuation principles used in the market as follows:

Market Approach. Based on considerations of:

current stock market prices of publicly held companies whose businesses are similar to those of each of Ashland, MAP and New Ashland, as applicable, and premiums paid over market prices by acquirors of total or controlling ownership in such businesses; and

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acquisition prices paid for total ownership positions in businesses whose lines of business are similar to those of Ashland, MAP and New Ashland, as applicable.

Discounted Cash Flow Approach. Based on the present value of the debt-free operating cash flow future of Ashland, MAP and New Ashland, as applicable, in each case as estimated by such entity s management and reflected in its financial projections. In each case, the present value was determined by discounting the projected operating cash flow at a rate of return that reflected the financial and business risks of Ashland, MAP or New Ashland, as applicable.

For purposes of the AAA reasonably equivalent value opinion, AAA used the valuations for the VIOC centers and the maleic anhydride business established through arm s-length negotiations between Ashland and Marathon.

For purposes of the AAA solvency opinions, in determining the amount that would be required to pay the total liabilities of each of Ashland, MAP and New Ashland, as such liabilities become absolute and mature, AAA:

applied valuation techniques, including present value analysis, to the amounts that will be required from time to time to pay such liabilities (including contingent liabilities) as they become absolute and mature based on their scheduled maturities (or, in the case of contingent liabilities, the anticipated dates of payment); and

with respect to Ashland and New Ashland, considered the asbestos-related claims payments and related asbestos insurance recoveries as estimated by Ashland on its pro forma balance sheet, as well as asbestos-related claims payments estimates and related asbestos insurance recovery estimates prepared by consultants Marathon retained.

In the course of AAA s investigation of contingent liabilities, the managements of each of Ashland, MAP and New Ashland brought to the attention of AAA areas including:

various pending lawsuits and claims, including, with respect to Ashland, asbestos-related lawsuits and claims;

environmental matters;

employee benefit plan obligations;

tax audit exposure;

adequacy of corporate risk management programs; and

contracts and commitments.

Provisions for the ongoing expenses related to these issues were included with the projection of income and expenses presented in Ashland s and MAP s financial projections and were considered in AAA s valuation studies as ongoing business operating expenses. AAA took those contingent liabilities into account in rendering its opinions and concluded that those liabilities and ongoing expenses did not require any qualification of its opinions. AAA s conclusions were based on, among other things, its discussions with the respective managements of Ashland and MAP, their consultants and counsel concerning, and AAA s investigation of, the various lawsuits, claims, including asbestos-related claims and asbestos insurance recovery, and other contingent liabilities identified to it.

AAA based its opinions on, among other things, a review of the agreements relating to the transactions, historical and pro forma financial information, certain business information and certain assumptions relating to Ashland and MAP, including those contained in this proxy statement/prospectus, as well as certain financial

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forecasts and other data provided by Ashland and MAP relating to the businesses and prospects of Ashland, MAP and New Ashland. AAA also conducted discussions with Ashland s and MAP s management with respect to the businesses and prospects of Ashland, MAP and New Ashland and conducted such financial studies, analyses and investigations as it deemed appropriate in rendering its opinions. The AAA opinion letters state that, in preparing its opinions, AAA relied on the accuracy and completeness of all information supplied or otherwise made available to it by Ashland and MAP and did not independently verify that information or undertake any physical inspection or independent appraisal of the assets or liabilities of Ashland or MAP. The opinion letters state also that AAA s opinions were based on business, economic, market and other conditions existing on the date those opinions were rendered.

AAA was retained to render its opinions as to the solvency of Ashland, MAP and New Ashland and its reasonably equivalent value opinion because of its familiarity with the businesses of Ashland and MAP and its qualifications, expertise and reputation in appraising and valuing companies.

AAA consented to delivery of copies of the AAA solvency opinions to the boards of directors of Ashland and New Ashland. AAA also consented to the inclusion of this summary in, and the attachment of its opinions to, this proxy statement/prospectus. Marathon has agreed to pay AAA customary fees plus reimbursement of its out-of-pocket expenses incurred in connection with the rendering of its opinions.

Opinion of Houlihan Lokey Howard & Zukin Financial Advisors, Inc.

The preparation of a solvency opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Nevertheless, the following is a brief summary of Houlihan Lokey s solvency opinion addressed to the boards of directors of Ashland and New Ashland and dated March 18, 2004. We refer to this opinion as the Houlihan Lokey solvency opinion. This summary does not purport to be a complete statement of the analyses and procedures applied, judgments made or conclusions reached by Houlihan Lokey or a complete description of the Houlihan Lokey solvency opinion.

In the Houlihan Lokey solvency opinion, Houlihan Lokey stated that, based on the considerations set forth therein and on other factors it deemed relevant, it was of the opinion as of the date of that letter that, assuming the transactions are completed as proposed, immediately after and giving effect to the transactions and on a pro forma basis:

- the fair value of New Ashland s assets would exceed its stated liabilities and identified contingent liabilities;

- the present fair saleable value of New Ashland s assets would exceed its probable liabilities as they become absolute and mature;

- New Ashland should be able to pay its debts as they become due or mature; and

- the capital remaining in New Ashland after the transactions would not be unreasonably small for the business in which New Ashland would be engaged, as management of Ashland has indicated it is now conducted and is proposed to be conducted following the consummation of the transactions.

A copy of the Houlihan Lokey solvency opinion is attached as Annex M to this proxy statement/prospectus, and this summary is qualified in its entirety by reference to the text of that opinion. Houlihan Lokey has consented to the inclusion of this summary in, and

the attachment of its opinion to, this proxy statement/prospectus. We urge you to read the Houlihan Lokey solvency opinion carefully in its entirety for a description of the procedures followed, factors considered, and assumptions and qualifications made by Houlihan Lokey in reaching its opinion. The Houlihan Lokey solvency opinion will be updated as of the date of the closing of the transactions and will be addressed to the boards of directors of Ashland and New Ashland, and the closing of the transactions is conditioned on Ashland s and Marathon s receipt of that updated opinion. See the section of this proxy statement/prospectus entitled The Master Agreement Conditions to Closing of the Transactions.

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In rendering its opinion, Houlihan Lokey valued the assets of New Ashland on a consolidated basis and as a going-concern (including goodwill), on a pro forma basis, immediately after and giving effect to the transactions. The determination of the fair value and present fair saleable value of the assets of New Ashland after the completion of the transactions was based on generally accepted valuation methodologies.

For purposes of its opinion, Houlihan Lokey defined the following terms as having the meanings set forth below:

fair value means the amount at which New Ashland s aggregate assets would change hands between a willing buyer and a willing seller, each having reasonable knowledge of the relevant facts, neither being under any compulsion to act, with equity to both;

present fair saleable value means the amount that may be realized if New Ashland s aggregate assets (including goodwill) are sold with reasonable promptness in an arm s length transaction under present conditions for the sale of comparable business enterprises, as those conditions could be reasonably evaluated by Houlihan Lokey;

identified contingent liabilities means the stated amount of contingent liabilities identified to Houlihan Lokey and valued by responsible officers of Ashland, upon whom Houlihan Lokey relied without independent verification; no other contingent liabilities were considered;

probable liabilities as they become absolute and mature means stated liabilities and identified contingent liabilities, considering the probability that such identified contingent liabilities will be imposed and, if so, in what amount, as such liabilities are identified to Houlihan Lokey and quantified and valued by responsible officers of Ashland, and as such probabilities are determined by such officers, upon whom Houlihan Lokey relied without independent verification; no other liabilities were considered; and

able to pay its debts as they become due or mature means, assuming the transactions have been consummated as proposed, New Ashland should be able to pay its debts and other liabilities (as identified, projected, and valued to Houlihan Lokey by responsible officers of Ashland, upon whom Houlihan Lokey relied without independent verification), including identified contingent liabilities, during the period covered by the projections prepared by Ashland s management, taking into consideration New Ashland s projected cash flow during such period, New Ashland s available cash (including cash proceeds of the transactions to the extent such proceeds are not used to repurchase, repay or defease existing debt) and the stated borrowing capacity of New Ashland under revolving credit facilities proposed to be in place upon consummation of the transactions.

The Houlihan Lokey solvency opinion states that Houlihan Lokey did not independently investigate or verify the accuracy or completeness of the information supplied by Ashland and that Houlihan Lokey assumes no responsibility with respect to the accuracy and completeness of such information. Houlihan Lokey did not undertake any physical inspection or independent appraisal of any of the properties, assets or liabilities (including the identified contingent liabilities) of Ashland or New Ashland. The Houlihan Lokey solvency opinion states also that Houlihan Lokey s opinion was based on business, economic, market and other conditions as they existed and could be evaluated by Houlihan Lokey on the date that the opinion was rendered.

The Houlihan Lokey solvency opinion does not constitute a recommendation to Ashland shareholders as to how they should vote at the special meeting, nor does it address Ashland s and New Ashland s underlying business decisions to effect the transactions. Houlihan Lokey has not been requested to, and did not, solicit third party indications of interest in acquiring all or part of Ashland or MAP. Furthermore, Houlihan Lokey did not advise the boards of directors of Ashland and New Ashland with respect to alternatives to the transactions. With respect to MAP, Houlihan Lokey did not perform any valuation analyses, analyze any financial statements, or speak to members of its management.

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The Houlihan Lokey solvency opinion was also based on, among other things, a review of various agreements relating to the transactions, historical and pro forma financial information and certain business information relating to Ashland and New Ashland, as well as certain financial forecasts and other data provided by Ashland relating to the businesses and prospects of New Ashland. Houlihan Lokey also conducted discussions with Ashland s management relating to the operations, financial condition, liabilities (including contingent liabilities), insurance, future prospects and projected operations and performance of Ashland and New Ashland and conducted those financial studies, analyses and investigations that it deemed appropriate in rendering its opinion.

Houlihan Lokey was retained to render its opinion as to the solvency of New Ashland because of its familiarity with the businesses and assets of Ashland and its qualifications, expertise and reputation in appraising and valuing companies. Ashland has agreed to pay Houlihan Lokey customary fees plus reimbursement of its out-of-pocket expenses incurred in connection with the rendering of its opinions.

Material U.S. Federal Income Tax Consequences of the Transactions

In General. Summarized below are the material U.S. Federal income tax consequences relating to the transactions. This summary is based on the Internal Revenue Code of 1986, as amended, the Treasury regulations promulgated thereunder, administrative rulings and court decisions, all of which are subject to change. Any such change, which could be retroactive, could alter the tax consequences described in this summary.

This summary applies only to shareholders who hold Ashland common stock as a capital asset within the meaning of Section 1221 of the Internal Revenue Code (generally speaking, for investment purposes). In addition, this summary does not describe all the tax consequences that may be relevant to a shareholder in light of its particular circumstances and does not apply to certain types of Ashland shareholders, such as insurance companies, financial institutions, regulated investment companies, dealers in securities or currencies, tax-exempt organizations, shareholders that hold Ashland common stock as part of a position in a straddle or as part of a hedging, conversion or other integrated transaction, shareholders who have a functional currency other than the U.S. dollar, S corporations, small business investment companies, real estate investment trusts or traders who use a mark-to-market method of accounting for their securities holdings. In addition, this summary does not address the U.S. Federal income tax consequences of the transactions to any Ashland shareholder who, for U.S. Federal income tax purposes, is a nonresident alien individual, foreign corporation, foreign partnership or foreign estate or trust, and does not address the tax consequences of the transaction under state, local or foreign tax laws.

Ashland shareholders are urged to consult their own tax advisors concerning the tax consequences of the transactions in their particular circumstances, including the treatment of the transaction under federal, state, local and foreign tax laws.

U.S. Federal Income Tax Consequences of the Transactions. As discussed below, the parties have jointly requested certain private letter rulings from the Internal Revenue Service with respect to certain tax issues, and the closing of the transactions is conditioned on the receipt of those rulings. In addition, the transactions are also conditioned on the receipt of favorable private letter rulings from the Internal Revenue Service regarding certain other tax issues or the receipt of legal opinions from Cravath, Swaine & Moore LLP and Miller & Chevalier Chartered regarding those other tax issues. However, even if the parties receive those favorable private letter rulings and tax opinions, the transactions could nevertheless be taxable to Ashland (including, as described below, under Section 355(e) of the Internal Revenue Code) under certain circumstances. Although such private letter rulings would generally be binding on the Internal Revenue Service, their continuing validity would be subject to the accuracy of certain factual representations and assumptions described in the ruling request and private letter rulings. If any of those factual representations or assumptions were later found to be inaccurate, Ashland or its shareholders could become liable for tax as result of the transactions. In addition, any tax opinions received by Ashland and Marathon with regard to the transactions would not be binding on the Internal Revenue Service or the courts and will be based on, among other things, current law and various representations as to factual matters made by Ashland and Marathon, which, if incorrect, could jeopardize the conclusions reached by the advisors of Ashland and Marathon in their opinions.

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Assuming the private letter rulings and tax opinions described above are received by the parties and the factual representations and assumptions on which they are based are accurate, it is the opinion of Ashland s legal advisor, Cravath, Swaine & Moore LLP, that the U.S. Federal income tax consequences of the transactions will be the following:

- Ashland shareholders will not recognize any gain, loss or income as a result of the transactions (except as described below under Tax Treatment of Cash Received in Lieu of Fractional Shares and Tax Treatment of Cash Received by Dissenting Shareholders);

- each Ashland shareholder will apportion its tax basis in its Ashland common stock ratably between the New Ashland common stock and Marathon common stock it receives in the acquisition merger in proportion to the relative fair market values of such New Ashland common stock and Marathon common stock on the date of the acquisition merger;

- the holding period of the shares of New Ashland common stock and shares of Marathon common stock received by a shareholder in the acquisition merger will include the period during which that shareholder held its shares of Ashland common stock exchanged in the transactions;

- except as described below under Potential Gain to Ashland Pursuant to Internal Revenue Code Section 355(e), no gain, loss or income will be recognized by Ashland, ATB Holdings or New Ashland as a result of the transactions; and

- Marathon will not recognize any gain, loss or income as a result of the transactions.

Potential Gain to Ashland Pursuant to Internal Revenue Code Section 355(e). Under Internal Revenue Code Section 355(e), the acquisition merger will become taxable to Ashland if, as of the date of the closing of the transactions, the fair market value of the New Ashland common stock exceeds Ashland s tax basis in the New Ashland common stock. That basis cannot be determined with precision at this time, because it depends in part on the amount of taxable income Ashland generates before the closing of the transactions. However, based on current tax basis estimates and the number of Ashland shares currently outstanding, if the combined value of the consideration to be received by the Ashland shareholders is above $ per share, as of the date of the closing (approximately $51.00 of New Ashland common stock and approximately $ of Marathon common stock), the value of the New Ashland stock will exceed its tax basis and Ashland will be required to pay tax under Section 355(e). The amount of any Section 355(e) tax will depend in part on the fair market value of the New Ashland common stock on the date of the acquisition merger. Each dollar by which the New Ashland stock price on the acquisition merger date exceeds $51.00 per share will result in approximately $71 million of increased pre-tax market value for New Ashland (based on approximately 71 million outstanding shares) and a tax liability of approximately $28 million. Under the tax matters agreement among the parties relating to the transactions, New Ashland will be responsible for any Section 355(e) tax resulting from the transactions and must indemnify Marathon against that tax.

Tax Treatment of Cash Received in Lieu of Fractional Shares. Each Ashland shareholder will generally recognize capital gain or loss on any cash it receives in lieu of a fractional share of Marathon common stock equal to the difference between the amount of cash received and its basis allocated to such fractional share. Such gain or loss will constitute long-term capital gain or loss if the holding period in the shares of ATB Holdings common stock surrendered in the acquisition merger is greater than 12 months as of the date of the acquisition merger.

Tax Treatment of Cash Received by Dissenting Shareholders. Each Ashland shareholder who does not vote in favor of approval of the transactions and properly asserts dissenters rights pursuant to Subtitle 13 of the Kentucky Business Corporation Act will generally recognize capital gain or loss on any cash it receives from the exercise of such dissenters rights equal to the difference between the amount of cash received and its tax basis in its shares of Ashland common stock. Such gain or loss will constitute long-term capital gain or loss if the holding period of those shares of Ashland common stock is greater than 12 months as of the date of the reorganization merger.

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Tax-Related Closing Conditions. The obligation of each of Ashland and Marathon to close the transactions is subject to the satisfaction or waiver of the following tax-related conditions:

The receipt by Ashland and Marathon of a private letter ruling from the Internal Revenue Service to the effect that:

the maleic anhydride business/VIOC centers contribution, the MAP/LOOP/LOCAP contribution and the reorganization merger (described in the section of this proxy statement/prospectus entitled The Master Agreement Transaction Steps), taken together, qualify as a tax-free reorganization under Section 368(a)(1)(F) of the Internal Revenue Code;

the capital contribution and the conversion merger taken together with the distribution of shares of New Ashland common stock in the acquisition merger (or, if applicable, the distribution by ATB Holdings of shares of New Ashland common stock) qualifies as a tax-free reorganization under Section 368(a)(1)(D) of the Internal Revenue Code;

the distribution of shares of New Ashland common stock in the acquisition merger (or, if applicable, in the distribution by ATB Holdings of shares of New Ashland common stock prior to the acquisition merger) qualifies as a distribution described in Section 355(a) of the Internal Revenue Code;

the shares of New Ashland common stock distributed to ATB Holdings shareholders in the acquisition merger (or, if applicable, in the distribution by ATB Holdings of shares of New Ashland common stock prior to the acquisition merger) will not be treated as other property within the meaning of Section 356(a) of the Internal Revenue Code;

the assumption by Marathon or Marathon Domestic LLC of liabilities of ATB Holdings in the acquisition merger will not be treated as money or other property under Section 357 of the Internal Revenue Code;

either (1) New Ashland is entitled to deduct certain contingent liabilities of Ashland that will be transferred to New Ashland in the transactions; or (2) Marathon is entitled to deduct such contingent liabilities and certain other related private letter rulings are also received; and

ATB Holdings s tax basis in its New Ashland common stock will not be reduced by New Ashland s assumption of certain contingent liabilities in a way that would cause a greater amount of Section 355(e) gain to be recognized by ATB Holdings as a result of such assumption of liabilities;

Either:

the receipt by Ashland and Marathon of a private letter ruling from the Internal Revenue Service to the effect that acquisition merger qualifies as a tax-free reorganization under Section 368(a)(1)(A) of the Internal Revenue Code; or

the receipt by Ashland of a written opinion from Cravath, Swaine & Moore LLP and the receipt by Marathon of a written opinion from Miller & Chevalier Chartered to that effect; and

Either:

the receipt by Ashland and Marathon of certain private letter rulings from the Internal Revenue Service to the effect that the partial redemption results in no gain to Ashland under certain provisions in the Internal Revenue Code with respect to the taxation of partnerships; or

the receipt by Ashland of a written opinion from Cravath, Swaine & Moore LLP and the receipt by Marathon of a written opinion from Miller & Chevalier Chartered to that effect.

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Backup Withholding. Non-corporate holders of Ashland common stock may be subject to information reporting and backup withholding on any cash payments received in lieu of a fractional share interest in Marathon stock. Any such holder will not be subject to backup withholding, however, if such holder:

- furnishes a correct taxpayer identification number and certifies that such holder is not subject to backup withholding on the substitute Form W-9 or successor form included in the letter of transmittal to be delivered to the holder following the completion of the merger; or

- is otherwise exempt from backup withholding.

Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against a holder s U.S. Federal income tax liability, provided such holder furnishes the required information to the IRS.

Reporting Requirements. Current Treasury regulations require each holder who receives shares of New Ashland common stock pursuant to the acquisition merger to attach to such holder s Federal income tax return for the year in which the acquisition merger occurs, a detailed statement setting forth such data as may be appropriate in order to show the applicability of Section 355 of the Internal Revenue Code to the acquisition merger.

In addition, with respect to the receipt of shares of Marathon common stock in the acquisition merger, holders will be required to retain records pertaining to the acquisition merger and will be required to file with their United States Federal income tax return for the year in which the acquisition merger takes place a statement setting forth certain facts relating to the acquisition merger.

THIS DISCUSSION DOES NOT ADDRESS TAX CONSEQUENCES THAT MAY VARY WITH, OR ARE CONTINGENT ON, INDIVIDUAL CIRCUMSTANCES. MOREOVER, IT DOES NOT ADDRESS ANY NON-INCOME TAX OR ANY FOREIGN, STATE OR LOCAL TAX CONSEQUENCES OF THE TRANSACTIONS. TAX MATTERS ARE VERY COMPLICATED, AND THE TAX CONSEQUENCES OF THE TRANSACTIONS WILL DEPEND UPON THE FACTS OF EACH HOLDER S PARTICULAR SITUATION. ACCORDINGLY, EACH ASHLAND SHAREHOLDER SHOULD CONSULT WITH A TAX ADVISOR TO DETERMINE THE PARTICULAR FEDERAL, STATE, LOCAL OR FOREIGN INCOME OR OTHER TAX CONSEQUENCES TO SUCH HOLDER OF THE TRANSACTIONS.

Regulatory Matters

The transactions are conditioned on the satisfaction of certain regulatory matters described below. The parties have agreed to use their reasonable best efforts to make all regulatory filings and obtain all regulatory approvals necessary to close the transactions. Please read the sections of this proxy statement/prospectus entitled The Master Agreement Conditions to Closing of the Transactions and The Master Agreement Covenants and Additional Agreements.

The following is a summary of the regulatory requirements affecting the transactions. Although the parties have not yet received all of the regulatory approvals discussed below, we anticipate that all regulatory approvals will be received prior to the date of the special meeting. We cannot assure you that the parties will obtain all of the regulatory approvals described in this section or that the granting of these approvals will not involve the imposition of conditions on the closing of the transactions that require changes in the terms of the transactions.

Hart-Scott-Rodino Antitrust Improvements Act of 1976. Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the rules of the Federal Trade Commission, the transactions may not be closed until the following steps have been taken:

- notification and report forms have been submitted and information has been furnished to the Antitrust Division of the Department of Justice and the Federal Trade Commission; and
- required waiting periods have expired or been terminated.

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Ashland and Marathon each filed notification and report forms with the Antitrust Division and the Federal Trade Commission on May 17, 2004. The Federal Trade Commission granted Ashland and Marathon s request for early termination of the statutory waiting period applicable to the transactions, and the waiting period was terminated on June 1, 2004.

At any time before or after the closing of the transactions and notwithstanding the expiration or termination of the HSR Act waiting period, any federal or state antitrust authorities could take action under the antitrust laws as they deem necessary or desirable in the public interest. Such action could include seeking to enjoin the closing of the transactions. Private parties may also seek to take legal action under the antitrust laws, if circumstances permit.

The transactions are conditioned on the absence of any temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other governmental entity or other legal restraint or prohibition preventing or making unlawful the closing of the transactions. The parties have agreed to use their reasonable best efforts to defend any legal proceedings challenging the transaction agreements or the closing of the transactions. Please read the sections of this proxy statement/prospectus entitled The Master Agreement Conditions to Closing of the Transactions and The Master Agreement Covenants and Additional Agreements. We cannot assure you, however, that a legal challenge to the transactions will not be made or that, if any such challenge is made, the parties to the transactions will prevail.

Foreign Regulatory Filings. It is a condition to the closing of the transactions that any consents, approvals and filings under any foreign antitrust laws, the absence of which would prohibit the closing of the transactions, be obtained or made. Although Ashland and Marathon are not aware of any foreign governmental approvals or actions that may be required for the closing of the transactions, it is possible that one or more foreign governments could attempt to impose additional conditions on Ashland s and/or Marathon s operations in one or more foreign jurisdictions as a result of the transactions. In that event, we cannot assure you that any required consents or approvals will be granted and, if those consents or approvals are received, we cannot assure you as to when those consents or approvals will be received.

Private Letter Rulings The transactions are conditioned on Ashland s and Marathon s receipt of private letter rulings in effect as of the date of the closing of the transactions from the Internal Revenue Service, reasonably satisfactory to the boards of directors of both Ashland and Marathon, regarding specified tax issues described in the section of this proxy statement/prospectus entitled The Master Agreement Conditions to Closing of the Transactions. The parties have filed a request for those rulings with the Internal Revenue Service.

Accounting Treatment

Marathon will account for the partial redemption and the acquisition merger as a purchase business combination under generally accepted accounting principles, with Marathon treated as the acquiring enterprise. Marathon will establish a new accounting basis for the tangible and identifiable intangible assets and liabilities of MAP, to the extent of the 38% of MAP not already owned by Marathon, based on the estimated fair values of those assets and liabilities at the closing date for the transactions. The new accounting basis for the tangible and identifiable intangible assets and liabilities of the maleic anhydride business and the VIOC centers that Marathon will acquire, as well as the 4% interest in LOOP and 8.62% interest in LOCAP that Marathon will acquire, will be based on their estimated fair values as of the closing date for the transactions. Marathon will record as goodwill any excess of the purchase price over the estimated fair values of the tangible and identifiable intangible assets and liabilities. Marathon will not amortize the goodwill, but will test it periodically for impairment. Marathon has not completed a final determination of the fair values. For purposes of disclosing pro forma information in this proxy statement/prospectus, Marathon has made a preliminary determination of the purchase price allocation, based on current estimates and assumptions. That preliminary determination is subject to revision as additional information becomes available.

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Although Marathon will own a majority interest in both LOOP and LOCAP as a result of the transactions, Marathon will continue to account for those investments under the equity method of accounting, since Marathon will not have a controlling financial interest in either of those entities.

Ashland will account for the disposition of its 38% interest in MAP, its maleic anhydride business and the 61 VIOC centers as a sale under generally accepted accounting principles. A gain will be recognized to the extent the approximately $3.015 billion of total consideration to be received by Ashland and its shareholders (including the $315 million of shares of Marathon common stock issued directly to Ashland shareholders, which will be reflected as a dividend) exceeds Ashland s net book value of the businesses sold, estimated to be approximately $1.95 billion as of March 31, 2004, and the expenses of the sale. Because none of the three businesses qualifies for treatment as discontinued operations, the gain will be recognized in income from continuing operations.

Rights of Dissenting Shareholders

The following summary is not a complete statement of the provisions of Kentucky law relating to the dissenters rights of shareholders and is qualified in its entirety by reference to the provisions of Sections 271B.13-010 through 271B.13-310 of the Kentucky Business Corporation Act (the KBCA), which are attached in full as Annex H to this proxy statement/prospectus. You are urged to read Annex H in its entirety.

Under the provisions of the KBCA, if the reorganization merger is completed, any shareholder of Ashland who objects to the reorganization merger (and therefore, the transactions and the transaction agreements) and who fully complies with Sections 271B.13-010 through 271B.13-310 of the KBCA will be entitled to demand and receive payment in cash of an amount equal to the fair value of his or her shares of Ashland common stock, instead of receiving the consideration that would be provided as a result of the transactions.

A shareholder of record may assert dissenters rights as to fewer than all of the shares registered in his or her name only if he or she dissents with respect to all shares beneficially owned by any one beneficial owner and notifies Ashland in writing of the name and address of each person on whose behalf he or she asserts dissenters rights. A beneficial owner may assert dissenters rights only if the beneficial owner submits to Ashland the record shareholder s written consent to the dissent not later than the time the beneficial owner asserts dissenters rights, and does so with respect to all shares of Ashland common stock of which he or she is the beneficial owner or over which he or she has power to direct the vote.

For the purpose of determining the amount to be received in connection with the exercise of statutory dissenters rights, the fair value of a dissenting shareholder s Ashland common stock will equal the value of the shares immediately before the effective time of the reorganization merger, excluding any appreciation or depreciation in anticipation of the transactions, unless such exclusion would be inequitable.

Any Ashland shareholder desiring to receive payment of the fair value of his or her shares of Ashland common stock must:

- deliver to Ashland, prior to the shareholder vote at the special meeting to approve the transactions and the transaction agreements, a written notice of his or her intent to demand payment for his or her shares if the reorganization merger is completed;

- not vote his or her shares in favor of the transactions and the transaction agreements; and comply with the payment demand and other procedural requirements of the KBCA described below.

All written communications from shareholders with respect to the assertion of dissenters rights should be mailed to Ashland, before the reorganization merger, or New Ashland (as the successor by merger to EXM LLC), after the reorganization merger, at: Ashland Inc., 50 E. RiverCenter Blvd., P. O. Box 391, Covington,

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Kentucky 41012-0391, Attention: General Counsel. Voting against, abstaining from voting or failing to vote on the proposal to approve the transactions and the transaction agreements is not enough to satisfy the requirements for the appropriate assertion of dissenters rights under the KBCA. You must also comply with all of the conditions relating to the separate written notice of intent to demand payment described above and the separate written demand for payment of the fair value of shares of Ashland common stock and the other procedural provisions described below.

Within 10 days after the date the transactions and the transaction agreements are approved by Ashland shareholders, Ashland will send a dissenters notice to all shareholders who have timely provided a notice of intent to demand payment in accordance with the procedures described above. The dissenters notice will:

- specify the dates and place for receipt of the payment demand and the deposit of the Ashland stock certificates;
- inform holders of uncertificated shares, if any, to what extent transfer of the shares will be restricted after the payment demand is received;
- supply a form for demanding payment that includes the date of the first announcement to the news media or Ashland shareholders of the terms of the transactions and requires that the person asserting dissenters rights certify whether or not he or she acquired beneficial ownership of his or her shares before that date;
- set a date by which the payment demand must be received, which date must not be fewer than 30 nor more than 60 days after the dissenters notice is delivered; and
- be accompanied by a copy of the dissenters rights provisions of the KBCA.

In order to receive the payment contemplated by the dissenters rights provisions of the KBCA, a shareholder who receives a dissenters notice must:

- demand payment;
- certify whether the holder acquired beneficial ownership of his or her shares before the date of the first announcement to news media or to shareholders of the terms of the transactions; and
- deposit his or her stock certificates with Ashland or New Ashland, as applicable, in accordance with the terms of the dissenters notice.

If the closing of the transactions does not occur with 60 days after the date set for demanding payment and depositing share certificates, Ashland will be required to return the deposited certificates and release the transfer restrictions imposed on uncertificated shares. Once the closing of the transactions does occur, New Ashland will be required to send a new dissenters notice, and the payment demand procedures outlined above must be repeated.

As soon as the closing of the transactions occurs and New Ashland receives a payment demand from a dissenting shareholder who has complied with the statutory requirements, New Ashland will pay the dissenter the amount it estimates to be the fair value of his or her shares, plus accrued interest. New Ashland s payment will be accompanied by:

- Ashland s balance sheet as of the end of a fiscal year ended not more than 16 months before the date of payment, an income statement for that year, a statement of changes in shareholders equity for that year and the latest available interim financial statements, if any;
- a statement of New Ashland s estimate of the fair value of the shares;
- an explanation of how the interest was calculated; and
- a statement of the dissenting shareholder s right to demand payment of a different amount under Section 271B.13-280 of the KBCA.

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After the closing of the transactions, New Ashland may elect to withhold payment from a dissenter unless the dissenter was the beneficial owner of the shares before the date of the first announcement to the news media or Ashland shareholders of the terms of the transactions. If New Ashland makes such an election, it will estimate the fair value of the shares, plus accrued interest, and send an offer to each such dissenter that includes the estimate of the fair value, an explanation of how the interest was calculated and a statement of the dissenter s right to demand payment of a different amount under Section 271B.13-280 of the KBCA. New Ashland will pay the offer amount to each such dissenting shareholder who agrees to accept it in full satisfaction of his or her demand.

If New Ashland fails to make the payment described above within 60 days after the date set for demanding payment or the dissenting shareholder believes the amount New Ashland paid or offered is less than the fair value of the shares or that the interest due is incorrectly calculated, within 30 days after New Ashland makes or offers payment for the shares of a dissenting shareholder, such dissenting shareholder must demand payment of his or her own estimate of the fair value of the shares and interest due. A dissenting shareholder may also demand payment of his or her estimate of the fair value of the dissenting shareholder s shares and interest due if within 60 days after the date set for demanding payment and depositing share certificates the closing of the transactions does not occur and Ashland fails to return the dissenting shareholder s share certificates or release the transfer restrictions imposed on the dissenting shareholder s uncertificated shares, if any. If the demand for payment of the different amount remains unsettled, then New Ashland, within 60 days after receiving the payment demand of a different amount from the dissenting shareholder, must file an action in the Kenton County, Kentucky circuit court, requesting that the fair value of the dissenting shareholder s shares be determined. New Ashland must make all dissenting shareholders whose demands remain unsettled parties to the proceeding. Each dissenter made a party to the proceeding will be entitled to judgment:

- for any amount by which the court finds the fair value of that dissenter s shares, plus interest, exceeds the amount New Ashland paid; or

- for the fair value, plus accrued interest, of that dissenter s shares acquired after the date of the first public announcement of the terms of the transactions for which New Ashland elected to withhold payment.

If New Ashland does not begin the proceeding within the 60-day period, it will be required to pay the amount demanded by each dissenting shareholder whose demand remains unsettled.

Ashland shareholders should note that dissenting shareholders will recognize gain or loss for Federal income tax purposes on cash paid to them in satisfaction of the fair value of their shares. See The Transactions Material U.S. Federal Income Tax Consequences of the Transactions.

Failure by an Ashland shareholder to follow the steps required by the KBCA for properly asserting dissenters rights may result in the loss of those rights. In view of the complexity of these provisions and the requirement that they be strictly followed, if you are considering dissenting from the approval of the transactions and the transaction agreements and asserting your dissenters rights under the KBCA, you should consult your legal advisor.

Use of Proceeds

Ashland intends that New Ashland will use the proceeds from the capital contribution, either at closing or as soon as reasonably practicable after the closing, to repurchase, repay or defease outstanding indebtedness and to pay, or make payments in connection with the termination or renegotiation of, certain other financial obligations. Ashland intends that New Ashland will use the proceeds from the partial redemption for general corporate purposes, which may include the funding of pension obligations and expanding its business through both internal growth and future business acquisitions.

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From the date of the closing of the transactions through the second anniversary of that date, New Ashland has agreed that, absent extraordinary and unanticipated circumstances, it will not pay any extraordinary dividends or distributions to its shareholders. Furthermore, from the date of the closing of the transactions through the sixth anniversary of the closing, New Ashland has agreed not to pay any dividend or other distribution or repurchase shares of its common stock using proceeds received from the transactions without the consent of Marathon if, at the time of the declaration or payment, New Ashland is or would be (after giving effect to the payment) insolvent under any applicable fraudulent transfer or conveyance law as determined in good faith by New Ashland s board of directors in accordance with its fiduciary duties under applicable law.

Existing MAP Agreements

The following is a summary of the terms and provisions of general agreements entered into in connection with the formation of MAP. This summary is not a complete description of those agreements and is qualified by reference to the full text of those agreements, which have been filed as exhibits to the registration statement of which this proxy statement/prospectus is a part. We encourage you to read those agreements in their entirety. The master agreement modifies some of the provisions of those agreements. See The Master Agreement Existing MAP Agreements.

Limited Liability Company Agreement. Marathon Oil Company and Ashland, as the only members in MAP, entered into a limited liability company agreement, or the LLC agreement, to establish the governance provisions regarding MAP.

The LLC agreement provides that the initial term of MAP expires in December 2022, provided that the term will automatically extend for successive ten-year periods unless, at least two years prior to the end of a term, a member gives notice to the other member that it wants to terminate the term of MAP.

The LLC agreement provides that the business and affairs of MAP are managed by the members acting through their respective representatives on the board of managers. The board consists of five representatives designated by Marathon Oil Company, three representatives designated by Ashland and the president of MAP, who is a non-voting member of the board. Each representative on the board is entitled to one vote, and action by the board normally requires a majority vote of the representatives present at a duly called meeting of the board at which a quorum is present. The LLC agreement provides that specified actions by MAP require a unanimous vote of the representatives present at a duly called meeting at which a quorum is present, including, among others:

- a purchase or investment with an aggregate purchase price or cost of approximately $23 million or more in a new line of business;
- any reorganization, merger, consolidation or similar transaction, or the sale or lease of all or substantially all the assets: (1) involving MAP; or (2) involving a subsidiary of MAP which involves consideration in excess of approximately $57 million;
- the admission of a new member;
- the acceptance or requirement of certain additional capital contributions;
- the initial hiring of specified officers;

the approval of capital expenditures in a fiscal year in excess of an amount based on MAP s earnings and depreciation during the prior three fiscal years;

operating leases which result in lease expenses that exceed approximately $94 million for any fiscal year;

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certain acquisitions, divestitures and capital projects involving consideration in excess of approximately $57 million in any one year;

the initiation or settlement of certain actions, suits, claims or proceedings;

a change in independent auditors, except to a major accounting firm;

adjustments to the manner of making distributions from that provided in the LLC agreement; and

the commencement of a voluntary case under any applicable bankruptcy, insolvency or similar law.

The LLC agreement also provides for (1) the amount, timing, frequency and method of calculating distributions, including distributions relating to taxes, from MAP to the members and (2) other allocations and tax matters. In addition, the LLC agreement provides for restrictions on the transfer by a member of its membership interests. MAP has agreed to indemnify each member against specified losses incurred in its capacity as a member.

In March 2004, Marathon Oil Company and MAP entered into a loan agreement pursuant to which MAP borrowed funds from Marathon Oil Company to finance MAP s Detroit refinery upgrade and expansion projects. The loan agreement requires MAP to begin repayment of the loan upon the completion of the projects. Accordingly, the LLC agreement was amended in March 2004 to require MAP s Detroit refinery s cash flows to service the repayment of MAP s loan from Marathon Oil Company.

Asset Transfer and Contribution Agreement. In connection with the formation of MAP, Marathon Oil Company, Ashland and MAP entered into an asset transfer and contribution agreement. In consideration of the asset transfers provided in that agreement, Marathon Oil Company and Ashland received 62% and 38% membership interests in MAP, respectively.

Marathon Oil Company and Ashland each contributed to MAP all tangible and intangible assets, contracts, permits and other rights which were used or held for use primarily in their petroleum supply, refining, marketing and transportation businesses, except for specified excluded assets. In return, MAP agreed to assume certain liabilities related to the businesses comprised of the assets contributed by each of Marathon Oil Company and Ashland.

Under the asset transfer and contribution agreement, Marathon Oil Company and Ashland made customary representations and warranties relating to the contributed assets and related matters. Each of Marathon Oil Company and Ashland agreed to retain certain debt obligations associated with assets contributed to MAP. In addition, Ashland agreed to forward to MAP any dividends or distributions from LOOP LLC and LOCAP LLC related to interests retained by Ashland in those entities. Each of Marathon Oil Company and Ashland agreed to indemnify the other and MAP from losses resulting from various circumstances, including:

breaches of specified representations, warranties and covenants, subject to various thresholds and procedural provisions;

the failure to discharge excluded liabilities;

- various taxes and employee matters;
- various environmental losses associated with pre-closing activities and conditions; and
- certain other losses and claims arising out of pre-closing activities.

In addition, MAP agreed to indemnify Marathon Oil Company and Ashland from certain losses, including losses arising after closing related to the assets transferred to MAP and other losses and claims arising out of post-closing activities of MAP.

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Put/Call, Registration Rights and Standstill Agreement. Marathon Oil Company, Marathon, Ashland and MAP have entered into a put/call, registration rights and standstill agreement, or the put/call agreement. The put/call agreement provides for the following rights:

Ashland Put Right: At any time after December 31, 2004, Ashland has the right to sell to Marathon Oil Company all of Ashland s membership interest in MAP for an amount in cash and/or Marathon Oil Company or Marathon debt or equity securities equal to the product of 85% (for the portion of the purchase price to be paid in cash or debt securities) or 90% (for the portion of the purchase price to be paid in equity securities) of the fair market value of MAP (determined in accordance with the put/call agreement), multiplied by Ashland s percentage interest in MAP, plus interest from the date of exercise of the right until closing of the sale. Payment may be made at closing, or, at Marathon Oil Company s option, in three equal annual installments, the first of which is payable at closing.

Marathon Oil Company Call Right: At any time on and after December 31, 2004, Marathon Oil Company has the right to purchase all of Ashland s membership interest in MAP for an amount in cash equal to the product of 115% of the fair market value of MAP, multiplied by Ashland s percentage interest in MAP, plus interest from the date of exercise of the right until closing of the sale.

Right to Purchase at Termination: If Marathon Oil Company or Ashland provides notice that it wants to terminate the term of MAP as described above under The Transactions Existing MAP Agreements Limited Liability Company Agreement, the non-terminating party has the right to purchase the terminating party s membership interest in MAP at the fair market value of MAP, multiplied by the terminating party s percentage interest in MAP, plus interest from the date of exercise of the right until closing of the sale.

The master agreement governing the transactions provides that Ashland may not exercise its put right and Marathon Oil Company may not exercise its call right under the put/call agreement unless the master agreement is terminated in accordance with its terms. See The Master Agreement Existing MAP Agreements.

The put/call agreement also provides Ashland specified demand registration rights with respect to Marathon Oil Company or Marathon securities issued to Ashland upon closing of the exercise of Ashland s put right. Standstill provisions in the put/call agreement prevent Marathon Oil Company and Marathon from acquiring more than 1% of any class of voting securities of Ashland or taking certain other actions to seek control of Ashland or to seek to control, disrupt or influence the management, business, operations, policies or affairs of Ashland until six months after the earlier of either Ashland or Marathon Oil Company ceases to own any membership interest in MAP. Ashland is subject to similar restrictions with respect to voting securities of Marathon.

Each of Marathon Oil Company, Marathon and Ashland has agreed that, during the term of MAP, it will not engage in a business within North America that is substantially in competition with the business conducted by MAP at the time of execution of the put/call agreement in January 1998 or with a new line of business of MAP approved by the board of managers of MAP pursuant to the LLC agreement. These restrictions are subject to various exceptions and may be waived by the board of managers of MAP.

The put/call agreement was amended in March 2004 to provide that, in the event Marathon Oil Company exercises its call right, MAP s Detroit refinery will not be valued (less associated debt) at an amount less than the working capital related to the Detroit refinery, excluding working capital additions related to the expansion and clean fuels project.

Effects of the Transactions On Ashland Shareholders

The master agreement provides that each share of Ashland common stock (other than shares held by shareholders who validly assert dissenters rights) issued and outstanding immediately before the effective time of the reorganization merger will be converted automatically into and thereafter represent one duly issued, fully paid and nonassessable share of ATB Holdings common stock.

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The master agreement provides that each share of ATB Holdings common stock issued and outstanding immediately before the effective time of the acquisition merger will be automatically converted into the right to receive (1) one duly issued, fully paid and nonassessable share of New Ashland common stock and (2) a number of duly issued, fully paid and nonassessable shares of Marathon common stock equal to the exchange ratio. The exchange ratio will equal $315 million divided by the product of (1) the Fair Market Value (defined below) and (2) the total number of shares of Ashland common stock issued and outstanding immediately prior to the closing. The exchange ratio is designed to provide that the shareholders of Ashland will receive an aggregate number of Marathon shares worth $315 million.

Fair Market Value means an amount equal to the average of the closing sale prices per share for the Marathon common stock on the New York Stock Exchange as reported in *The Wall Street Journal*, Northeastern Edition, for each of the 20 consecutive trading days ending with the third complete trading day prior to the closing date (not counting the closing date).

Except as described in the sections of this proxy statement/prospectus entitled Description of Common Stock of New Ashland and Comparison of Rights of Holders of Common Stock and as provided for in the transaction agreements, the New Ashland articles of incorporation and by-laws to be in effect upon closing of the transactions will be substantially similar to those of Ashland.

Ashland shareholders rights as holders of Marathon common stock are described in the sections of this proxy statement/prospectus entitled Description of Marathon Capital Stock Common Stock and Comparison of Rights of Holders of Common Stock.

Interests of Directors and Executive Officers of Ashland

In considering the recommendation of the Ashland board of directors to vote for the approval of the transactions and the transaction agreements, you should be aware that members of the Ashland board of directors and the executive officers of Ashland have interests in the transactions that are in addition to your interests as an Ashland shareholder. The Ashland board of directors was aware of these interests and considered them, among other matters, in adopting and approving the transactions and the transaction agreements. The Ashland board of directors determined that these benefits were such that they would not affect the ability of the members of the Ashland board of directors or these executive officers of Ashland to discharge their duties. These additional interests, to the extent material, are described below.

New Ashland Board of Directors and Executive Officers. Immediately after the closing of the transactions, (1) all of the existing directors of Ashland are expected to serve as directors of New Ashland and receive the same compensation as before the closing of the transactions and (2) all of the existing executive officers of Ashland are expected to serve as the executive officers of New Ashland and receive the same compensation as before the closing of the transactions. See The Companies New Ashland.

Indemnification. Ashland directors and executive officers are protected by the indemnification provisions of the Ashland third restated articles of incorporation, the Ashland by-laws and certain provisions of the Kentucky Business Corporation Act. Similarly, New Ashland directors and executive officers will be protected by the indemnification provisions of New Ashland s articles of incorporation and by-laws to be in effect upon the closing of the transactions and certain provisions of the Kentucky Business Corporation Act. In addition, Ashland has, and New Ashland will enter into, indemnification agreements with their respective directors. See Liability and Indemnification of Directors and Comparison of Rights of Holders of Common Stock.

Treatment of Ashland Stock Options

The Personnel and Compensation Committee of the Ashland board of directors will take appropriate action to adjust outstanding Ashland stock options under Ashland s stock option and incentive plans to reflect the transactions.

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Restrictions on Resales by Affiliates

The offering of the shares of Marathon common stock to be issued to the shareholders of Ashland (who will hold ATB Holdings common stock at the effective time of the acquisition merger) in connection with the acquisition merger will be registered under the Securities Act. Accordingly, the shares of Marathon common stock issued in the acquisition merger may be traded freely without restriction by those shareholders who are not affiliates of Ashland. Any transfer of these shares by any person who is an affiliate of Ashland will, under existing law, require:

- the further registration under the Securities Act of the transfer of shares of Marathon common stock by any such affiliate;
- compliance with Rule 145 promulgated under the Securities Act (permitting limited sales under certain circumstances); or
- the availability of another exemption from registration under the Securities Act.

An affiliate of Ashland is a person who, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Ashland. Marathon will give stop transfer instructions to the transfer agent with respect to the shares of Marathon common stock to be received by persons whom Marathon identifies as being subject to these restrictions, and any certificates for their shares will be appropriately legended.

Ashland has agreed to use its reasonable best efforts to cause each person who is an affiliate of Ashland (for the purposes of Rule 145 under the Securities Act) to deliver to Marathon a written agreement intended to ensure compliance with the above requirements of the Securities Act.

This proxy statement/prospectus does not cover resales of shares of Marathon common stock to be received by any person in connection with the acquisition merger, and no person is authorized to make any use of this proxy statement/prospectus in connection with any resale.

Stock Exchange Listing of New Ashland Common Stock; Delisting and Deregistration of Ashland Common Stock

The transactions are conditioned upon the shares of New Ashland common stock to be issued in connection with the transactions being approved for listing on the New York Stock Exchange or the Nasdaq National Market, subject to official notice of issuance. Ashland intends for the shares of New Ashland common stock to be listed on the New York Stock Exchange and the Chicago Stock Exchange. Ashland expects that the symbol under which Ashland common stock now trades (ASH) will continue to be used for the shares of New Ashland common stock. If the transactions are completed, Ashland common stock will cease to be listed on the New York Stock Exchange and the Chicago Stock Exchange and will be deregistered under the Securities Act and the Exchange Act.

Stock Exchange Listing of Marathon Common Stock

The transactions are conditioned on the shares of Marathon common stock to be issued in connection with the transactions being approved for listing on the New York Stock Exchange, subject to official notice of issuance. Shares of Marathon common stock currently are listed on the New York Stock Exchange, the Chicago Stock Exchange and the Pacific Stock Exchange under the symbol MRO.

Exchange of Certificates; Treatment of Fractional Shares

Prior to the closing of the transactions, Ashland will designate a bank or trust company reasonably acceptable to Marathon to act as the exchange agent for the transactions. Promptly following the effective time of

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the acquisition merger, New Ashland will issue and deposit with the exchange agent certificates representing the shares of New Ashland common stock issuable in exchange for outstanding shares of ATB Holdings common stock. New Ashland will provide the exchange agent with all the cash necessary to pay any dividends or other distributions payable with respect to shares of New Ashland common stock as described below.

Promptly following the effective time of the acquisition merger, Marathon will issue and deposit with the exchange agent certificates representing the shares of Marathon common stock issuable in exchange for outstanding shares of ATB Holdings common stock. Marathon will provide the exchange agent with all the cash necessary to pay any dividends or other distributions payable with respect to those shares of Marathon common stock as described below. Marathon will not issue any fractional shares of Marathon common stock. Instead, an Ashland shareholder who otherwise would have received a fraction of a share of Marathon common stock will receive an amount of cash equal to the fraction of a share of Marathon common stock (to which such holder would otherwise be entitled) multiplied by the Fair Market Value.

As promptly as reasonably practical after the effective time of the acquisition merger, the exchange agent will mail to each holder of record of a certificate or certificates that immediately prior to the effective time of the reorganization merger represented outstanding shares of Ashland common stock:

- a letter of transmittal, which will state that delivery will be effected, and risk of loss and title to the shareholder s certificate or certificates will pass, only upon delivery of the certificate or certificates to the exchange agent and will be in a form and have other provisions that New Ashland and Marathon may specify; and

- instructions for use in effecting the surrender of a share certificate or certificates in exchange for acquisition merger consideration.

Upon surrender of a certificate or certificates that immediately prior to the effective time of the reorganization merger represented outstanding shares of Ashland common stock for cancelation to the exchange agent, together with a properly completed letter of transmittal, the holder of such certificate or certificates will be entitled to receive in exchange for the certificate or certificates:

- a certificate or certificates representing the number of shares of New Ashland common stock that the holder has the right to receive;

- a certificate or certificates representing the number of whole shares of Marathon common stock that the holder has a right to receive;

- cash in lieu of fractional shares of Marathon common stock that the holder has a right to receive;

- any dividends or other distributions paid with respect to shares of New Ashland common stock or whole shares of Marathon common stock that such holder has a right to receive with a record date after the closing; and

- on the appropriate payment date, any dividends or other distributions payable with respect to shares of New Ashland common stock or whole shares of Marathon common stock that such holder has a right to receive with a record date on or after the closing but prior to the surrender of the certificate or certificates and a payment date subsequent to the surrender.

Beginning six months after the effective date of the acquisition merger, any holder of any unexchanged certificate or certificates that immediately prior to the effective time of the reorganization merger represented outstanding shares of Ashland common stock will look only to

New Ashland for payment of such holder s claim for the acquisition merger consideration and any dividends or distributions with respect to shares of New Ashland or Marathon common stock.

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THE MASTER AGREEMENT

The following is a summary of the terms and conditions of the master agreement, which generally sets forth the framework and principal terms for effecting the transactions. This description is not a complete description of the master agreement and is qualified by reference to the full text of the master agreement, a copy of which is attached as Annex A and is incorporated by reference in this proxy statement/prospectus. We encourage you to read the master agreement in its entirety for a more complete description of the terms and provisions of the master agreement.

Transaction Steps

The master agreement sets forth a series of steps necessary to complete the transactions. Following the satisfaction or waiver of the conditions to the closing of the transactions set forth in the master agreement, it is anticipated that these steps will occur on the day of closing of the transactions and in the following order:

1. **Partial redemption.** MAP will redeem a portion of Ashland s 38% interest in MAP for a redemption price of approximately $800 million plus an amount equal to 38% of the cash held by MAP as of the closing of the transactions, payable in a combination of cash and MAP accounts receivable. We refer to this redemption as the partial redemption. The actual portion to be redeemed will be determined by a formula, but it is expected that the partial redemption will leave Ashland with a continuing interest in MAP of approximately 31%. Ashland and Marathon have agreed that MAP will not make its quarterly distributions for the period from March 18, 2004, the date of the signing of the master agreement, to the closing of the transactions or the termination of the master agreement in accordance with its terms. The total amount of the partial redemption and the ATB Holdings borrowing (defined below) will be $2,699,170,000, plus any increases as a result of the cash held by MAP as of the closing of the transactions or the last paragraph describing this step of the transactions.

Marathon will be responsible for ensuring that MAP has available a total amount of cash and accounts receivable sufficient to fund the partial redemption and both Marathon and Ashland will use reasonable best efforts to ensure that MAP has available the appropriate mix of cash and accounts receivable to fund the partial redemption. The MAP accounts receivable will be selected by Ashland in accordance with a protocol specified in the master agreement and will be valued using agreed discount factors to reflect credit risk and the time value of money. Marathon has represented that the information provided to Ashland by MAP in connection with Ashland s evaluation of MAP s accounts receivable is true and correct in all material respects.

Because the valuation of the transferred accounts receivable will take into account the associated credit risk, Ashland will bear the risk of nonpayment after transfer. To the extent any transferred account receivable is reduced or canceled (other than as a result of nonpayment), MAP will promptly assign a substitute receivable of the same value.

The amount of the partial redemption may be increased in two circumstances. MAP may increase the amount of the partial redemption if Marathon determines, after considering the requirements of applicable fraudulent transfer or conveyance laws, that the total amount of the partial redemption and the capital contribution described in paragraph 5 below is not reasonably equivalent to the total value of Ashland s interest in MAP, the maleic anhydride business and the 61 VIOC centers located in Michigan and northwest Ohio. The amount of the partial redemption may also be increased by 38% of certain pension contributions and similar payments by MAP in excess of specified thresholds.

2. **Maleic anhydride business/VIOC centers contribution.** Ashland will contribute its maleic anhydride business and the 61 VIOC centers located in Michigan and northwest Ohio to ATB Holdings and ATB Holdings will assume certain related liabilities. The contribution of these businesses will be effected pursuant to two assignment and assumption agreements. See the section of this proxy statement/prospectus entitled Assignment and Assumption Agreements.

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3. **MAP/LOOP/LOCAP contribution.** Ashland will contribute to ATB Holdings its remaining interest in MAP, its 4% interest in LOOP LLC, which owns and operates the only U.S. deepwater oil port located off the coast of Louisiana, and its 8.62% interest in LOCAP LLC, which owns a crude oil pipeline, and ATB Holdings will assume certain related liabilities. The following diagram illustrates the contributions described in this paragraph and the preceding paragraph:

4. **Reorganization merger.** Ashland will merge with and into EXM LLC, which will be the surviving business entity of that merger and a wholly owned subsidiary of ATB Holdings. We refer to this merger as the reorganization merger.

By virtue of the reorganization merger, each share of Ashland common stock will be converted into and represent one share of ATB Holdings common stock. All shares of Ashland common stock will no longer be outstanding, will automatically be canceled and retired and will cease to exist. However, dissenting shareholders of Ashland common stock who properly demand payment of the fair value of their shares of Ashland common stock pursuant to Subtitle 13 of the Kentucky Business Corporation Act will be entitled to payment of the fair value of their shares of Ashland common stock, rather than having their shares of Ashland common stock converted into shares of ATB Holdings common stock (and in turn converted into the right to receive shares of New Ashland and Marathon common stock). See the section of this proxy statement/prospectus entitled The Transactions Rights of Dissenting Shareholders.

5. **ATB Holdings borrowing and capital contribution.** Marathon will arrange for a borrowing by ATB Holdings currently expected to be approximately $1.90 billion. We refer to this borrowing as the ATB Holdings borrowing. The ATB Holdings borrowing will be expressly non-recourse to Ashland and will otherwise be made on terms and conditions reasonably acceptable to Ashland. Marathon may guarantee or provide other credit support for the ATB Holdings borrowing. After the ATB Holdings borrowing is completed, ATB Holdings will promptly contribute to EXM LLC cash in an amount equal to the total amount of this borrowing. We refer to this contribution as the capital contribution.

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The amount of the ATB Holdings borrowing may be affected by certain private letter rulings from the Internal Revenue Service that the parties have sought in connection with the transactions. If the amount of this borrowing is increased (or decreased), the amount of the partial redemption will be correspondingly decreased (or increased).

The following diagram illustrates the reorganization merger, the ATB Holdings borrowing and the capital contribution:

6. **Conversion merger.** EXM LLC will merge with and into New Ashland, which will survive the merger. We refer to this merger as the conversion merger.

7. **Separation and merger.** ATB Holdings will be merged into Marathon Domestic LLC, a wholly owned subsidiary of Marathon, which will survive the merger. We refer to this merger as the acquisition merger.

By virtue of the acquisition merger, the shareholders of Ashland (holding ATB Holdings shares at the effective time of the acquisition merger) will have the right to receive, for each share of ATB Holdings common stock, (1) one share of New Ashland common stock and (2) a pro rata amount of shares of Marathon common stock with a total value of $315 million (based on a 20-trading day averaging period ending three trading days prior to the closing of the transactions but not counting the date of the closing) (collectively, the acquisition merger consideration). As a result of the acquisition merger, shares of New Ashland common stock will be held by the shareholders of Ashland common stock. New Ashland will receive the proceeds of the partial redemption and the capital contribution and own all of Ashland s existing businesses, properties and assets other than Ashland s interests in MAP, LOOP and LOCAP, the maleic anhydride business and the 61 VIOC centers contributed to ATB Holdings as described above.

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The following diagram illustrates the conversion merger and the acquisition merger:

The following diagram illustrates the end result of the transactions:

Closing; Effective Time of Mergers

The closing of the transactions will take place at the offices of MAP on the last business day of the calendar month in which all the conditions to closing are either satisfied or waived by the party entitled to the benefit of the condition, or if the last such condition is satisfied or waived on one of the last two business days of a calendar month, then on the last business day of the following month, or at any other place, time and date as Ashland and Marathon agree upon in writing. The reorganization merger, the conversion merger and the acquisition merger will be effective at the time that the respective articles or certificates of merger, as appropriate, are filed or at a later time on the date of the closing specified in such articles or certificates of merger. If Ashland and Marathon agree that the closing is expected to occur on December 31, 2004, the parties will use their reasonable best efforts to agree on closing mechanics to effect the transactions on that date, which may include: (1) the filing of the articles of merger for the reorganization merger, the articles of merger for the conversion merger and the certificate of merger for the acquisition merger prior to December 31, 2004, in each case specifying an effective time on December 31, 2004 and (2) advancement of the ATB Holdings borrowing to an escrow account for the benefit of ATB Holdings at a pre-closing prior to December 31, 2004, to ensure the proceeds of the capital contribution will be available to New Ashland on the closing date for consummation of the tender offer and/or consent solicitation of Ashland s public debt described in the section of this proxy statement/prospectus entitled The Master Agreement Conditions to Closing of the Transactions.

Reorganization Merger Consideration

The master agreement provides that each share of Ashland common stock (other than shares held by shareholders who validly exercise dissenters rights) issued and outstanding immediately before the effective time of the reorganization merger will be converted automatically into and thereafter represent one duly issued, fully paid and nonassessable share of ATB Holdings common stock.

Acquisition Merger Consideration

The master agreement provides that each share of ATB Holdings common stock issued and outstanding immediately before the effective time of the acquisition merger will be automatically converted into the right to receive (1) one duly issued, fully paid and nonassessable share of New Ashland common stock and (2) a number of duly issued, fully paid and nonassessable shares of Marathon common stock determined using the exchange ratio (collectively, the acquisition merger consideration). The exchange ratio will equal $315 million divided by the product of (1) the Fair Market Value (defined below) and (2) the total number of shares of Ashland common stock issued and outstanding immediately prior to the closing. The exchange ratio is designed to provide that the shareholders of Ashland will receive an aggregate number of Marathon shares worth $315 million.

Fair Market Value means an amount equal to the average of the closing sale prices per share for the Marathon common stock on the New York Stock Exchange as reported in *The Wall Street Journal*, Northeastern Edition, for each of the 20 consecutive trading days ending with the third complete trading day prior to the closing date (not counting the closing date).

Exchange of Certificates; Treatment of Fractional Shares

Prior to the consummation of the transactions, Ashland will designate a bank or trust company reasonably acceptable to Marathon to act as the exchange agent for the transactions. Promptly following the effective time of the acquisition merger, New Ashland will issue and deposit with the exchange agent certificates representing the shares of New Ashland common stock issuable in exchange for outstanding shares of ATB Holdings common stock. New Ashland will provide the exchange agent with all the cash necessary to pay any dividends or other distributions payable with respect to shares of New Ashland common stock as described below.

Promptly following the effective time of the acquisition merger, Marathon will issue and deposit with the exchange agent certificates representing the shares of Marathon common stock issuable in exchange for outstanding shares of ATB Holdings common stock. Marathon will provide the exchange agent with all the cash necessary to pay any dividends or other distributions payable with respect to those shares of Marathon common stock as described below. Marathon will not issue any fractional shares of Marathon common stock. Instead, an Ashland shareholder who would otherwise have received a fraction of a share of Marathon common stock will receive an amount of cash equal to the fraction of a share of Marathon common stock to which such holder would otherwise be entitled multiplied by the Fair Market Value.

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As promptly as reasonably practical after the effective time of the acquisition merger, the exchange agent will mail to each holder of record of a certificate or certificates that immediately prior to the effective time of the reorganization merger represented outstanding shares of Ashland common stock:

- a letter of transmittal, which will state that delivery will be effected, and risk of loss and title to the shareholder s certificate or certificates will pass, only upon delivery of the certificate or certificates to the exchange agent and will be in a form and have other provisions that New Ashland and Marathon may specify; and
- instructions for use in effecting the surrender of a share certificate or certificates in exchange for acquisition merger consideration.

Upon surrender of a certificate or certificates that immediately prior to the effective time of the reorganization merger represented outstanding shares of Ashland common stock for cancelation to the exchange agent, the holder of such certificate or certificates will be entitled to receive in exchange for the certificate or certificates:

- a certificate or certificates representing the number of shares of New Ashland common stock that the holder has the right to receive;
- a certificate or certificates representing the number of whole shares of Marathon common stock that the holder has a right to receive;
- cash in lieu of fractional shares of Marathon common stock that the holder has a right to receive; and
- any dividends or other distributions paid with respect to shares of New Ashland common stock or whole shares of Marathon common stock that such holder has a right to receive with a record date after the closing; and
- on the appropriate payment date, any dividends or other distributions payable with respect to shares of New Ashland common stock or whole shares of Marathon common stock that such holder has a right to receive with a record date on or after the closing but prior to the surrender of the certificate or certificates and a payment date subsequent to the surrender.

Beginning six months after the effectiveness of the acquisition merger, any holder of any unexchanged certificate or certificates that immediately prior to the effective time of the reorganization merger represented outstanding shares of Ashland common stock will look only to New Ashland for payment of such holder s claim for the acquisition merger consideration.

Representations and Warranties

Each of Ashland and New Ashland (jointly and severally) and Marathon have made representations and warranties in the master agreement with respect to themselves and their respective subsidiaries. The representations and warranties must be true as of the date of the signing of the master agreement and as of the date of the closing of the transactions as if made on that date (except to the extent that they expressly relate to an earlier date, in which case as of such earlier date). Most of the representations and warranties are generally reciprocal and include representations and warranties that relate to:

organization, standing and power;

subsidiaries and equity interests;

capital structure;

authority, execution, delivery and enforceability;

the absence of conflicts and required consents;

accuracy of SEC disclosures, shareholder proxy materials and financial statements;

the absence of undisclosed liabilities;

the absence of certain changes or events; and

brokers fees.

Marathon has also made representations and warranties that relate to:

accuracy of information provided to Ashland by MAP in connection with Ashland s evaluation of MAP accounts receivable to be transferred to Ashland in connection with the partial redemption; and

employee benefits to be provided after the closing of the transactions to employees of the maleic anhydride business and the 61 VIOC centers to be contributed to ATB Holdings.

In addition, the master agreement contains representations and warranties of Ashland and New Ashland (jointly and severally) and Marathon that relate to the solvency of Ashland and New Ashland and the intended use of proceeds from the transactions. These representations and warranties include:

Receipt of Solvency Opinions. Ashland, New Ashland and Marathon each has represented that it has received the opinions of AAA addressed to the boards of directors of Marathon with respect to the solvency of Ashland, New Ashland and MAP before the transactions and the opinion of Houlihan Lokey addressed to the boards of directors of Ashland and New Ashland with respect to the solvency of New Ashland immediately after the transactions.

Intent Regarding Distributions. Ashland and New Ashland have represented that, as of the date of the signing of the master agreement, Ashland has no intention to declare a dividend or distribution (other than consistent with historical dividends) or to complete a share repurchase using proceeds received from the partial redemption or the capital contribution. Ashland and New Ashland have represented that, as of the date of the closing of the transactions, New Ashland will not have any intention to declare a dividend or distribution (other than consistent with historical dividends paid by Ashland prior to the closing) or to complete a share repurchase using proceeds received from the partial redemption or the capital contribution. Ashland and New Ashland have further represented that, as of the closing date of the transactions, New Ashland does not intend to pay extraordinary dividends or distributions to its shareholders.

Intent Regarding Use of Proceeds. Ashland and New Ashland have represented that as of the date of the signing of the master agreement, Ashland intends to use the cash proceeds from the capital contribution, either at the closing or as soon as reasonably practicable after the closing, to repurchase, repay or defease outstanding indebtedness and to pay, or make payments in connection with the termination or renegotiation of, certain other financial obligations. Ashland and New Ashland have represented that as of the date of the closing of the transactions, New Ashland will intend to use the cash proceeds from the capital contribution only to repurchase, repay or defease outstanding indebtedness and to pay, or make payments in connection with the termination or renegotiation of, certain other financial obligations. The cash proceeds from the partial redemption may be used for New Ashland s general corporate purposes, which may include the funding of pension obligations and expanding its business through both internal growth and future business acquisitions.

Ashland Solvency. Ashland and New Ashland have represented that, Ashland (before giving effect to the transactions) and New Ashland (after giving effect to the transactions) will not be insolvent, as insolvency is defined under any of the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act and the U.S. Bankruptcy Code.

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Covenants and Additional Agreements

Ashland and Marathon have made certain covenants or agreements in the master agreement, including the following:

Conduct of Respective Businesses. Ashland and Marathon have agreed not to take certain actions until the effective time of the acquisition merger that would reasonably be expected to have a material adverse effect on their respective abilities to perform their obligations under the transaction agreements and ancillary agreements or on their respective abilities to close the transactions. In particular, until the date of the closing of the transactions, without the prior written consent of Marathon, Ashland is not permitted to declare a dividend or distribution other than a regular quarterly cash dividend up to 27.5 cents per share, or to complete a share repurchase.

Conduct of MAP Business. Until the date of the closing of the transactions, MAP will operate its business in the ordinary course in substantially the same manner as previously conducted. In particular, MAP is prohibited from incurring debt, other than in the ordinary course of business consistent with past practice, or buying out any lease, license or similar payment obligation. In addition, if MAP makes contributions to its pension plans in excess of specified amounts, the amount of the partial redemption will be increased to ensure that Ashland will not bear the cost in excess of the specified amounts.

Other Actions. Prior to the date of the closing of the transactions, Ashland and Marathon have agreed not to take any action that would, or that is reasonably expected to, result in that party s representations and warranties in the transaction agreements becoming untrue or incorrect (other than failures to be true and correct that have not had and would not reasonably be expected to have a material adverse effect on their respective abilities to perform their obligations under the transaction agreements and ancillary agreements or on their respective abilities to close the transactions) or any conditions to the transactions not being satisfied.

No Solicitation. Ashland has agreed not to and will not permit its subsidiaries to, will not authorize or permit any of its officers, directors, employees, investment bankers, attorneys, auditors or other advisors, agents or representatives to, and on becoming aware of the same, will use its reasonable best efforts to stop such subsidiary or representative from continuing to:

solicit, initiate or encourage the submission of any competing proposal;

enter into an agreement with respect to any competing proposal; or

enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish any person any information with respect to, or cooperate with or take any other action knowingly to facilitate any inquiries or the making of any proposal that constitutes, or would reasonably be expected to lead to, any competing proposal.

Ashland may, however, before receiving Ashland shareholder approval of the transaction agreements and the transactions, in response to a bona fide written competing proposal that its board of directors determines, in good faith (after consultation with counsel and its financial advisors), constitutes or is reasonably likely to result in a superior proposal that was not solicited by Ashland, furnish to the person making such competing proposal information with respect to Ashland and MAP and participate in discussions or negotiations with such person regarding any competing proposal.

A competing proposal means any proposal or offer (other than the transactions):

for a merger, consolidation or other business combination involving Ashland that would reasonably be expected to prevent or materially delay the consummation of the transactions;

to acquire in any manner, directly or indirectly, a majority of the equity securities or consolidated total assets of Ashland that would reasonably be expected to prevent or materially delay the consummation of the transactions; or

to acquire any of Ashland s 38% interest in MAP.

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A superior proposal means any bona fide written competing proposal (other than a competing proposal to acquire Ashland s 38% interest in MAP) which Ashland s board of directors determines in good faith to be superior from a financial point of view to the holders of Ashland common stock than the transactions (after consultation with its financial advisors), taking into account all the terms and conditions of such competing proposal and the transaction agreements (including any proposal by Marathon to amend the terms of the transaction agreements) and that is reasonably capable of being completed, taking into account all legal, financial, regulatory, timing and other aspects of such competing proposal.

Ashland s board of directors may not withdraw or modify in a manner adverse to Marathon, or propose publicly to withdraw or modify in a manner adverse to Marathon, the adoption, approval or recommendation by the board of the transaction agreements or the transactions, and may not adopt, approve or recommend, or propose publicly to adopt, approve or recommend, any competing proposal. Notwithstanding the foregoing, if, before Ashland receives shareholder approval of the transactions and the transaction agreements, Ashland s board of directors determines in good faith (after consultation with counsel) that the failure to take any such action would be reasonably likely to result in a breach of its fiduciary duties, the board may withdraw its adoption, approval or recommendation of the transaction agreements and the transactions.

Ashland will promptly advise Marathon in writing of any competing proposal or any inquiry with respect to or that would reasonably be expected to lead to any competing proposal and the identity of the person making the competing proposal or inquiry, and certain material terms and conditions of the competing proposal or inquiry. Ashland will keep Marathon reasonably informed on a timely basis of the status and certain details of the competing proposal or inquiry. Ashland will not be required to comply with its obligations summarized in this paragraph after the Ashland shareholder approval of the transaction agreements and the transactions to the extent that Ashland s board of directors determines in good faith (after consultation with counsel) that such compliance would be reasonably likely to result in a breach of its fiduciary obligations.

Nothing in the master agreement prohibits Ashland from taking and disclosing to its shareholders a position contemplated by Rule 14e-2(a) promulgated under the Exchange Act (other than a position recommending acceptance under Rule 14e-2(a)(1) of a tender offer constituting a competing proposal) if, in the good faith judgment of Ashland s board of directors (after consultation with counsel), the failure to so disclose would be inconsistent with its obligations under applicable law.

Post-Closing Dividends, Distributions and Share Repurchases. From the date of the closing of the transactions through the second anniversary of that date, New Ashland has agreed that, absent extraordinary and unanticipated circumstances, it will not pay any extraordinary dividends or distributions to its shareholders. In addition, from the date of the closing of the transactions through the sixth anniversary of the closing, New Ashland has agreed not to pay any dividend or other distribution or repurchase shares of its common stock using proceeds received from the transactions without the consent of Marathon if, at the time of the declaration or payment, New Ashland is or would be (after giving effect to the payment) insolvent under any applicable fraudulent transfer or conveyance law as determined in good faith by New Ashland s board of directors in accordance with the fiduciary duties applicable to the board under applicable law.

Offerings of Marathon Common Stock. Marathon has agreed, subject to specified exceptions, that during the period beginning five business days prior to the first trading day of the 20-trading day averaging period for the determination of the exchange ratio and ending 30 days after the closing, that it will not:

- offer or sell any shares of Marathon common stock or securities convertible into or exchangeable or exercisable for any shares of Marathon common stock;
- file with the SEC any registration statement under the Securities Act relating to any such offer or sale; or

publicly disclose the intention to make any such offer or sale except as required by applicable law.

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Reasonable Best Efforts. Ashland and Marathon have agreed to use their reasonable best efforts to cause the closing of the transactions to occur.

Other Covenants. Ashland and Marathon have also made other covenants in the master agreement relating to the transactions, including, among other things, customary covenants relating to the special meeting and this proxy statement/prospectus, access to information, confidentiality, public announcements and New York Stock Exchange listings of the shares of New Ashland common stock and the shares Marathon common stock to be issued in connection with the acquisition merger.

Existing MAP Agreements

The terms of the master agreement modify Ashland s existing obligations with respect to certain MAP environmental matters. If the closing occurs, Ashland will not have any liabilities or obligations:

in excess of $50 million in the aggregate for Ashland environmental losses (as defined in the asset transfer and contribution agreement described in the section of this proxy statement/prospectus entitled The Transactions Existing MAP Agreements Asset Transfer and Contribution Agreement) incurred on or after January 1, 2004, except for certain excluded liabilities and obligations relating primarily to assets not transferred to MAP when MAP was formed;

in excess of approximately $10 million (subject to adjustment depending on the date of the closing of the transactions) arising out of MAP s St. Paul Park upgrade project to the extent incurred on or after January 1, 2003;

for certain environmental liabilities of Ashland which were resolved in a settlement agreement between MAP and Plains Marketing, L.P.; or

arising out of future closings of MAP refineries.

The parties do not have the right to exercise their respective put and call rights under the put/call agreement unless the master agreement is terminated in accordance with its terms. Certain standstill provisions set forth in the put/call agreement with respect to stock purchases will survive for six months after the closing. After the closing date, the parties will not be bound by any of the non-compete arrangements set forth in the put/call agreement. See the section of this proxy statement/prospectus entitled The Transactions Existing MAP Agreements Put/Call, Registration Rights and Standstill Agreement.

The master agreement also provides for other amendments to the existing MAP agreements, including modifications with respect to employee benefit matters of MAP. In addition, subject to certain limited exceptions, the indemnification provisions in the asset transfer and contribution agreement and the obligations of MAP under the liability, exculpation and indemnification provisions of the LLC agreement will continue in full force and effect after the closing. See the sections of this proxy statement/prospectus entitled The Transactions Existing MAP Agreements Asset Transfer and Contribution Agreement and The Transactions Existing MAP Agreements Limited Liability Company Agreement. Ashland will have post-closing audit rights to confirm compliance with the transaction agreements.

Conditions to the Closing of the Transactions

The respective obligations of each party to close the transactions are subject to the satisfaction or waiver on or prior to the closing date of the following conditions:

- the transactions and the transaction agreements will have been approved by the holders of a majority of the outstanding shares of Ashland common stock;

- the shares of Marathon common stock issuable in connection with the acquisition merger will have been approved for listing on the New York Stock Exchange, subject to official notice of issuance, and the

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shares of New Ashland common stock issuable in connection with that merger will have been approved for listing on the New York Stock Exchange or the Nasdaq National Market, subject to official notice of issuance;

any consents, approvals and filings required under any foreign antitrust law will have been obtained or made;

no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other governmental entity or other legal restraint or prohibition preventing or making unlawful the closing of the transactions will be in effect;

the registration statements on Form S-4, of which this proxy statement/prospectus is a part, will have become effective under the Securities Act and will not be the subject of any stop order or proceeding seeking a stop order;

Marathon will have received any state securities or blue sky authorizations necessary to effect the issuance of the shares of Marathon common stock in connection with the acquisition merger;

Ashland will have received any state securities or blue sky authorizations necessary to effect the issuance of the shares of ATB Holdings common stock and the shares of New Ashland common stock in connection with the reorganization merger and the acquisition merger, respectively;

the registration statement on Form 10 or Form 8-A with respect to the shares of New Ashland common stock will have become effective under the Exchange Act and will not be the subject of any stop order or proceeding seeking a stop order;

Ashland and Marathon will have received solvency opinions of AAA dated as of the closing date with respect to Ashland (before giving effect to the transactions), New Ashland (after giving effect to the transactions) and MAP (before and after giving effect to the transactions) and a solvency opinion of Houlihan Lokey dated as of the closing date with respect to New Ashland (after giving effect to the transactions);

Ashland and Marathon will have received a private letter ruling from the Internal Revenue Service to the effect that:

the maleic anhydride business/VIOC centers contribution, the MAP/LOOP/LOCAP contribution and the reorganization merger, taken together, qualify as a tax-free reorganization under Section 368(a)(1)(F) of the Internal Revenue Code;

the capital contribution and the conversion merger taken together with the distribution of shares of New Ashland common stock in the acquisition merger (or, if applicable, the distribution by ATB Holdings of shares of New Ashland common stock) qualifies as a tax-free reorganization under Section 368(a)(1)(D) of the Internal Revenue Code;

the distribution of shares of New Ashland common stock in the acquisition merger (or, if applicable, in the distribution by ATB Holdings of shares of New Ashland common stock prior to the acquisition merger) qualifies as a distribution described in Section 355(a) of the Internal Revenue Code;

the shares of New Ashland common stock distributed to ATB Holdings shareholders in the acquisition merger (or, if applicable, in the distribution by ATB Holdings of shares of New Ashland common stock prior to the acquisition merger) will not be treated as other property within the meaning of Section 356(a) of the Internal Revenue Code;

the assumption by Marathon or Marathon Domestic LLC of liabilities of ATB Holdings in the acquisition merger will not be treated as money or other property under Section 357 of the Internal Revenue Code;

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either (1) New Ashland is entitled to deduct certain contingent liabilities of Ashland that will be transferred to New Ashland in the transactions; or (2) Marathon is entitled to deduct such contingent liabilities and certain other related private letter rulings are also received; and

ATB Holdings s tax basis in its New Ashland common stock will not be reduced by New Ashland s assumption of certain contingent liabilities in a way that would cause a greater amount of Section 355(e) gain to be recognized by ATB Holdings as a result of such assumption of liabilities;

either:

Ashland and Marathon will have received a private letter ruling from the Internal Revenue Service to the effect that acquisition merger qualifies as a tax-free reorganization under Section 368(a)(1)(A) of the Internal Revenue Code; or

Ashland will have received a written opinion from Cravath, Swaine & Moore LLP and Marathon will have received a written opinion from Miller & Chevalier Chartered to that effect; and

either:

Ashland and Marathon will have received certain private letter rulings from the Internal Revenue Service to the effect that the partial redemption results in no gain to Ashland under certain provisions in the Internal Revenue Code with respect to the taxation of partnerships; or

Ashland will have received a written opinion from Cravath, Swaine & Moore LLP and Marathon will have received a written opinion from Miller & Chevalier Chartered to that effect.

Ashland s obligation to close the transactions is further subject to the satisfaction or waiver on or prior to the closing date of the following additional conditions:

the representations and warranties of the Marathon parties set forth in the transaction agreements will be true and correct as of the closing date as though made on the closing date, except to the extent that the representations or warranties expressly relate to an earlier date (in which case they must be true and correct as of such earlier date); provided that this condition will be deemed satisfied unless the failure of the representations and warranties to be true and correct, individually or in the aggregate, has not had and would not reasonably be expected to have a material adverse effect on the ability of any Marathon party to perform its obligations under the transaction agreements and ancillary agreements or on the ability of any Marathon party to close the transactions;

the Marathon parties will have performed in all material respects the obligations required to be performed by them under the transaction agreements at or prior to the closing date;

Ashland will have received irrevocable consents to the transactions from at least 90% of the aggregate principal amount of all series of debt issued under its indenture dated as of August 15, 1989, as amended (with the consent of 66 $^{2}/3$% or more of the aggregate principal amount of a series constituting the consent for the entire series and the consent of less than 66 $^{2}/3$% of any series not being considered the consent for any debt of that series);

in the event that the shares of New Ashland common stock to be issued to holders of ATB Holdings common stock in connection with the acquisition merger are instead issued to ATB Holdings in connection with the conversion merger, followed by the distribution of such shares to the holders of ATB Holdings common stock immediately prior to the acquisition merger, the boards of directors of Ashland and ATB Holdings will each have determined in good faith that such distribution will be in compliance with applicable law;

except as disclosed in documents filed by Marathon with the SEC and publicly available on or before the date that is five business days prior to the first trading day of the 20-day averaging period described under The Master Agreement Acquisition Merger Consideration and for certain other general exceptions, from the date of the signing of the master agreement to the closing date, there will not have been any event, change, effect or development that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on the business, properties, assets, condition (financial or otherwise), operations or results of operations of Marathon and its subsidiaries, taken as a whole;

MAP will have accounts receivable with a total value equal to the amount of MAP accounts receivable to be distributed to Ashland in connection with the partial redemption; and

Ashland will have received a certificate from Marathon regarding certain specified issues relating to potential future sales of MAP accounts receivable.

Marathon s obligation to close the transactions is further subject to the satisfaction or waiver on or prior to the closing date of the following additional conditions:

the representations and warranties of the Ashland parties set forth in the transaction agreements will be true and correct as of the closing date as though made on the closing date, except to the extent that the representations or warranties expressly relate to an earlier date (in which case they must be true and correct as of such earlier date); provided that this condition will be deemed satisfied unless the failure of the representations and warranties to be true and correct, individually or in the aggregate, has not had and would not reasonably be expected to have a material adverse effect on the ability of any Ashland party to perform its obligations under the transaction agreements and ancillary agreements or on the ability of any Ashland party to close the transactions; and

the Ashland parties will have performed in all material respects the obligations required to be performed by them under the transaction agreements at or prior to the closing date.

Termination; Termination Fees; Effect of Termination

Ashland and Marathon may mutually agree in writing, at any time before the closing of the transactions, to terminate the master agreement. Also, the master agreement may be terminated before the closing of the transactions in the following circumstances:

(1) by either Ashland or Marathon without the consent of the other if:

(a) the closing does not occur by June 30, 2005 (subject to a maximum three-month extension period in certain cases), unless the failure to close is the result of a material breach of the transaction agreements by the party seeking to terminate (the June 30, 2005 date, as it may be so extended, is sometimes referred to in this proxy statement/prospectus as the outside date for closing);

(b) any governmental entity permanently enjoins, restrains or otherwise prohibits any of the transactions on a final and nonappealable basis;

(c) Ashland shareholder approval of the transaction agreements and the transactions is not obtained upon a vote at the special meeting; or

(d) it is reasonably determined by the party seeking to terminate the master agreement that the closing condition for receipt of the requisite private letter ruling and tax opinions described above is incapable of being satisfied due to any modification in Federal income tax law, receipt of an IRS private letter ruling or any other official, written communication from the IRS;

(2) by Marathon if:

(a) Ashland breaches its representations, warranties or covenants, causing a failure of a condition to Marathon s obligation to close the transactions that cannot be cured or is not cured within 60 days of Marathon giving notice to Ashland;

(b) prior to Ashland s shareholder approval of the transaction agreements and the transactions, Ashland s board of directors withdraws or modifies, or proposes to publicly withdraw or modify, in a

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manner adverse to Marathon, its approval or recommendation of the transaction agreements or the transactions, fails to recommend to Ashland s shareholders that they approve the transaction agreements and the transactions or adopts, approves or recommends, or publicly proposes to adopt, approve or recommend, any competing proposal; or

(c) prior to Ashland s shareholder approval of the transaction agreements and the transactions, Ashland s board of directors fails to reaffirm, within 10 business days of Marathon s written request to do so (which request may be made at any time prior to the special meeting if a competing proposal has been publicly disclosed and not withdrawn), its recommendation to Ashland s shareholders that they approve the transaction agreements and the transactions; and

(3) by Ashland if:

(a) Marathon breaches its representations, warranties or covenants, causing a failure of a condition to Ashland s obligation to close the transactions that cannot be cured or is not cured within 60 days of Ashland giving notice to Marathon; provided that the cure period may be extended for up to three months under limited circumstances if the ATB Holdings borrowing is not advanced by the lenders on the basis of a disruption in the financial markets or a similar event; or

(b) prior to Ashland s shareholder approval of the transactions and the transaction agreements, Ashland s board of directors receives a superior proposal and determines in good faith (after consultation with counsel) that the failure to terminate the master agreement would be reasonably likely to result in a breach of its fiduciary obligations, provided that (1) Ashland has notified Marathon of that determination by the Ashland board of directors, (2) at least five business days have elapsed following receipt by Marathon of that notice, (3) Ashland is in compliance in all material respects with its obligations described above under The Master Agreement Covenants and Additional Agreements No Solicitation and (4) Marathon is not at that time entitled to terminate the master agreement as described under (2)(a) above.

Ashland has agreed to pay Marathon a termination fee of $30 million, plus an additional $10 million for reimbursement of Marathon s expenses, if the master agreement is terminated:

- by Marathon as described under (2)(b) or (c) above;
- by Ashland as described under (3)(b) above; or
- by either Ashland or Marathon if any person makes a competing proposal that was publicly disclosed prior to, and not withdrawn by, the date of the special meeting, and the master agreement is terminated as described under (1)(c) above, and within 15 months of such termination Ashland enters into a definitive agreement to complete, or completes, a competing proposal (as previously defined except that a competing proposal involving Ashland s interest in MAP shall be for a majority of Ashland s interest in MAP) other than with Marathon or any of its affiliates.

Ashland has agreed to pay Marathon $10 million for reimbursement of Marathon s expenses if the master agreement is terminated by Marathon as described under (2)(a) above. Marathon has agreed to pay Ashland $10 million for reimbursement of Ashland s expenses if the master agreement is terminated by Ashland as described under (3)(a) above.

If the master agreement is terminated by either Ashland or Marathon in accordance with the terms of the master agreement, the master agreement will immediately become void and have no effect, without any liability or obligation on the part of any party to the master agreement, other than certain provisions relating to confidentiality, the payment of fees and expenses and certain other general provisions which will survive the termination, except to the extent that such termination results from the material breach by a party of its representations, warranties or covenants set forth in the master agreement.

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Amendment; Extension; Waiver

The master agreement may be amended by the parties at any time by an instrument in writing signed on behalf of each of the parties. However, after the approval of the transaction agreements and the transactions at the special meeting, there will be no amendment made that by law requires further approval by the Ashland shareholders without such further shareholder approval.

At any time prior to the closing of the transactions, Ashland or Marathon may:

- extend the time for performance of any of the obligations or other acts of the Marathon parties (in the case of an extension granted by Ashland) or the Ashland parties (in the case of an extension granted by Marathon);

- waive any inaccuracies in the representations and warranties contained in the transaction agreements or in any other document delivered pursuant to the transaction agreements;

- waive compliance with any of the agreements of the Marathon parties (in the case of a waiver granted by Ashland) or the Ashland parties (in the case of a waiver granted by Marathon); or

- waive any condition to the obligations of the Ashland parties (in the case of a waiver granted by Ashland) or the Marathon parties (in the case of a waiver granted by Marathon).

No extension or waiver that by law requires further approval of the Ashland shareholders will be made without shareholder approval. All extensions and waivers must be in writing and signed by the party granting the waiver or extension.

If Ashland and Marathon do not receive a private letter ruling from the Internal Revenue Service to the effect that the distribution of shares of New Ashland common stock in the acquisition merger qualifies as a distribution described in Section 355(a) of the Internal Revenue Code, then the parties to the master agreement will execute an amendment to the master agreement to provide that the shares of New Ashland common stock will instead be issued to ATB Holdings in connection with the conversion merger, followed by the distribution of such shares to the holders of ATB Holdings common stock immediately prior to the acquisition merger. The parties to the master agreement will not seek further Ashland shareholder approval of such an amendment after the approval of the transactions and the transaction agreements at the special meeting.

Indemnification

New Ashland has agreed to indemnify the Marathon parties and their affiliates and their respective officers, directors, employees, investment bankers, attorneys, auditors, advisors, agents and representatives, from and after the closing, and has agreed to hold them harmless from, any and all claims, demands, suits, actions, causes of action, investigations, losses, damages, liabilities, obligations, penalties, fines, costs and expenses, and subject to specified adjustment for insurance proceeds received and taxes, to the extent resulting from, arising out of or relating to:

- any breach by any of the Ashland parties of any of their representations and warranties or any breach or nonfulfillment of any of their covenants set forth in the master agreement, any of the other transaction agreements or specified ancillary agreements;

- liabilities and obligations of an Ashland party not expressly assumed by a Marathon party; or

- liabilities and obligations of a Marathon party expressly assumed by an Ashland party.

New Ashland s indemnification obligations are subject to specified periods of limitation, deductibles and limitations.

Marathon has agreed to indemnify the Ashland parties and their affiliates and their respective officers, directors, employees, investment bankers, attorneys, auditors, advisors, agents and representatives, from and after

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the closing, and has agreed to hold them harmless from, any and all claims, demands, suits, actions, causes of action, investigations, losses, damages, liabilities, obligations, penalties, fines, costs and expenses, and subject to specified adjustment for insurance proceeds received and taxes, to the extent resulting from, arising out of or relating to:

- any breach by any of the Marathon parties of any of their representations and warranties or any breach or nonfulfillment of any of their covenants set forth in the master agreement, any of the other transaction agreements or specified ancillary agreements;
- liabilities and obligations of a Marathon party not expressly assumed by an Ashland party; or
- liabilities and obligations of an Ashland party expressly assumed by a Marathon party.

Marathon s indemnification obligations are subject to specified periods of limitation, deductibles and limitations.

Expenses

Generally, all fees and expenses (including any broker s or finder s fees and the expenses of representatives and counsel) incurred in connection with the transactions will be paid by the party incurring the fees or expense, whether or not the closing of the transactions occurs. However, Ashland and Marathon will share, among other things, the following:

- fees and expenses of Deloitte & Touche LLP for purposes of allocating the value of MAP to its assets in anticipation of the partial redemption and for use by Marathon for GAAP reporting purposes;
- fees and expenses of Patton Boggs LLP in connection with obtaining the consent from the Department of Transportation with respect to the transfer of Ashland s interest in LOOP LLC;
- fees and expenses incurred in connection with filing, printing and mailing this proxy statement/prospectus and the registration statements on Form S-4, including the associated SEC filing fees; provided, that Ashland and Marathon will pay the fees and expenses of their respective counsel and independent auditors in connection with the preparation and filing of those documents; and
- fees and expenses of Georgeson Shareholder Communications, Inc. with respect to the solicitation of proxies in connection with the special meeting.

Marathon paid the fees and expenses of AAA in connection with its delivery of the initial AAA solvency opinions, and Marathon will pay the fees and expenses of AAA in connection with its delivery of the solvency opinions that are conditions to the parties obligations to close the transactions. Ashland paid the fees and expenses of Houlihan Lokey in connection with its delivery of the initial Houlihan Lokey solvency opinion, and Ashland will pay the fees and expenses of Houlihan Lokey in connection with its delivery of the solvency opinion that is a condition to the parties obligations to close the transactions. Marathon will pay the fees and expenses associated with the ATB Holdings borrowing. Ashland will pay the fees and expenses associated with obtaining the debt consents that are a condition to its obligation to close the transactions. For a summary of termination fees, see The Master Agreement Termination; Termination Fees; Effect of Termination.

THE TAX MATTERS AGREEMENT

The following is a summary of the material terms and provisions of the tax matters agreement. This description is not a complete description of the tax matters agreement and is qualified by reference to the full text of the tax matters agreement, a copy of which is attached as Annex B and is incorporated by reference in this proxy statement/prospectus. We encourage you to read the tax matters agreement in its entirety for a more complete description of the terms and provisions of the tax matters agreement.

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The tax matters agreement addresses various tax issues relating to the transactions, including many customary issues that arise from separating members of a consolidated group through a spinoff, or combining companies in a merger. The tax matters agreement generally provides that New Ashland will file, and handle all administrative proceedings relating to, tax returns of the Ashland and New Ashland consolidated groups. Marathon will file, and handle all administrative proceedings relating to, tax returns of the Marathon consolidated group. In addition, the tax matters agreement addresses certain issues that are unique to the transactions that arise from the uncertainty concerning whether the tax deduction for certain contingent liabilities paid by New Ashland should be claimed by New Ashland or by Marathon.

Indemnification for Taxes

The tax matters agreement provides that:

- New Ashland will generally be responsible for the tax liabilities of the Ashland group of companies, including ATB Holdings before the acquisition merger, and the income taxes attributable to Ashland s interest in MAP before the acquisition merger;
- Marathon will be responsible for the tax liabilities of the Marathon group of companies, including the successor to ATB Holdings after the acquisition merger, and all of the taxes attributable to MAP after the acquisition merger; and
- If the transactions result in a tax liability, notwithstanding the receipt of the Internal Revenue Service private letter ruling and/or tax opinions that are a condition to the closing of the transactions, including any tax under Section 355(e) of the Internal Revenue Code, then the tax will be paid by New Ashland unless it is primarily attributable to the breach by Marathon of certain covenants or representations and would not have been imposed in the absence of that breach, in which case it will be paid by Marathon.

Specified Liability Deductions

The uncertainty around the deductions for contingent liabilities (referred to in the tax matters agreement as specified liability deductions) required special provisions in the tax matters agreement to address the possibility that the IRS might rule that Marathon is the proper party to claim the tax deductions for contingent liabilities paid by New Ashland. The tax matters agreement provides that the parties will seek a tax ruling that New Ashland will be entitled to such deductions, and only failing that will they ask for a tax ruling that Marathon is entitled to the deductions. In the event that the IRS rules that Marathon should claim the deductions, the tax matters agreement provides that litigation may be commenced against the IRS to overturn that decision but only if each party determines that there would be no adverse consequences from such litigation.

If Marathon claims the specified liability deductions, then Marathon will pay the benefit of those deductions to New Ashland. The computation and payment terms for such tax benefit payments are divided into two baskets, as described below:

- **Basket One.** This applies to the first $30 million of specified liability deductions that Marathon may claim in each year (increased by inflation each year up to a maximum of $60 million). The benefit of Basket One deductions is determined by multiplying the amount of the deduction by 32% (or, if different, by a percentage equal to three percentage points less than the highest federal income tax rate during the applicable tax year). The computation and payment of Basket One amounts does not depend on the ability of Marathon to actually generate tax savings from the use of the specified liability deductions in Basket One. Generally, the Basket One amount is paid directly to New Ashland with no escrow. Basket One will terminate after 20 years. It will also terminate upon specified bankruptcy events related to New Ashland. In either of those cases, the specified liability deductions that would otherwise have been compensated under Basket One will be taken into account in Basket Two. In addition, Basket One applies only for Federal income tax purposes; state, local or foreign tax benefits attributable to specified liability deductions will be compensated only under Basket Two.

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Basket Two. All specified liability deductions that are not in Basket One are compensated under Basket Two. The benefit of Basket Two deductions is determined on a with and without basis that is, the specified liability deductions are treated as the last deductions used by the Marathon group. Thus, if the Marathon group has deductions, tax credits or other tax benefits of its own, it is deemed to use them to the maximum extent possible before it is deemed to use the specified liability deductions. To the extent that Marathon has the capacity to use the specified liability deductions based on this methodology, the actual amount of tax saved by the Marathon group through the use of the specified liability deductions will be calculated and paid over to New Ashland. Because Basket Two amounts are calculated based on the actual tax saved by the Marathon group from the use of Basket Two deductions, those amounts are subject to recalculation in the event there is a change in the Marathon group s tax liability for a particular year. This could occur because of audit adjustments or carrybacks of losses or credits from other years, for example. To the extent that such a recalculation results in a smaller Basket Two benefit with respect to a specified liability deduction for which New Ashland has already received compensation, New Ashland is required to repay such compensation to Marathon.

Representations and Covenants

Ashland and Marathon make representations and covenants in the tax matters agreement to the other that relate to the tax treatment of the transactions. The covenants include agreements by Marathon not to make certain capital contributions to MAP, or to allow MAP to incur certain borrowings, that could increase the risk that the IRS could take the position that the partial redemption is taxable to Ashland. If the partial redemption were taxable by reason of Marathon s breach of those covenants, Marathon would be required to indemnify New Ashland (as the successor to Ashland) against that tax.

Other

The tax matters agreement includes other provisions that are customary in agreements of this type, including provisions governing the conduct of tax claims, procedures for resolution of disputes, and similar matters.

ASSIGNMENT AND ASSUMPTION AGREEMENTS

As part of the transactions, Ashland will contribute its maleic anhydride business and 61 VIOC centers to ATB Holdings under two assignment and assumption agreements. The following is a summary description of the terms and conditions of the assignment and assumption agreements. This description is not a complete description of those agreements and is qualified by reference to the full text of those agreements, copies of which are attached as Annexes C and D to this proxy statement/prospectus. We encourage you to read the assignment and assumption agreements in their entirety for a more complete description of the terms and conditions of those agreements.

The maleic anhydride business includes Ashland s maleic anhydride plant in Neal, West Virginia (directly across the Big Sandy River from MAP s refinery in Catlettsburg, Kentucky) and its maleic anhydride marketing, distribution and sales operations. Under the assignment and assumption agreement relating to the maleic anhydride business, Ashland will contribute to ATB Holdings specified real property, inventory, tangible personal property, proprietary information and technology, permits, contracts, accounts receivable, records and other assets associated with the maleic anhydride business. ATB Holdings will assume from Ashland the liabilities associated with the assigned contracts and specified maleic anhydride product exchange agreements, as well as specified other liabilities relating to or arising out of the operation of the maleic anhydride business. Ashland will retain substantially all of the remaining liabilities of the maleic anhydride business as of the date of the closing of the transactions. Ashland has agreed not to compete with the maleic anhydride business for five years after the closing of the transactions. Ashland also has agreed to purchase substantially all of its requirements for maleic anhydride for the current capacity of its six existing manufacturing facilities in North

America, limited to 100 million pounds of product per year, from Marathon for five years after the closing of the transactions. See Other Agreements Maleic Anhydride Supply Agreement.

Following the closing of the transactions, Marathon will have the option, for a period of up to five years, to purchase from Ashland the assets of the maleic anhydride portion of Ashland s Neville Island, Pennsylvania plant. If Marathon exercises its option, the purchase price for the Neville Island assets will be equal to their fair market value, as determined by an independent investment banking or appraisal firm.

The VIOC centers are engaged in the business of marketing and selling quick service engine oil change services, lubrication services, certain routine maintenance check services, preventive automotive maintenance services and related products and services. Under the assignment and assumption agreement relating to the VIOC centers, Ashland will contribute to ATB Holdings specified real property, inventory, tangible personal property, permits, contracts, records and other assets associated with the VIOC centers business operations. ATB Holdings will assume from Ashland the liabilities associated with the assigned contracts and specified other liabilities relating to or arising out of the operation of the transferred assets. Ashland will retain substantially all of the remaining liabilities of the VIOC centers as of the date of the closing of the transactions. After the closing, Marathon will operate the VIOC centers as a franchisee of Ashland under a series of franchise agreements. See Other Agreements Blanket License Agreement.

Each assignment and assumption agreement contains various representations and warranties of Ashland, including representations and warranties that relate to:

- the financial statements of the tangible assets to be transferred;
- title to, and condition and sufficiency of, the assets to be transferred;
- specified contracts used in or arising out of the transferred businesses;
- the existence and transferability of various permits;
- pending and threatened claims associated with or relating to the transferred assets and businesses;
- benefit plans relating to employees of the transferred businesses;
- the absence of certain changes or events;
- compliance with laws by the transferred businesses; and
- employee and labor matters.

In addition, each assignment and assumption agreement contains various covenants of both parties, including:

Ashland s covenant to conduct the businesses to be transferred in the usual, regular and ordinary course in substantially the same manner as previously conducted;

Covenants to the effect that, after the closing, Ashland will remit to Marathon Domestic LLC (as the successor to ATB Holdings) any refund or other amount that is a transferred asset or is otherwise properly due and owing to Marathon Domestic LLC (as the successor to ATB Holdings), and Marathon Domestic LLC (as the successor to ATB Holdings) will remit to Ashland any refund or other amount that is an excluded asset or is otherwise properly due and owing to Ashland;

Marathon Domestic LLC s covenant to offer employment to all employees of the transferred businesses who are actively at work on the closing date;

A mutual covenant of the parties to furnish to each other reasonable access to personnel, properties, books and records relating to the transferred businesses; and

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Ashland s covenant to review each material contract relating in part to one of the transferred businesses and in part to its other businesses to determine whether such contracts should be terminated and replaced with separate contracts.

Each assignment and assumption agreement provides that it will terminate automatically if the master agreement is terminated in accordance with its terms.

The closing of the transactions under the assignment and assumption agreements is conditioned on the satisfaction or waiver of the conditions to closing under the master agreement and will occur at the closing of the other transactions under the master agreement.

OTHER AGREEMENTS

Amendment of the Ashland Rights Agreement

On March 18, 2004, Ashland executed an amendment to its rights agreement dated May 16, 1996, between Ashland and National City Bank, as successor to Harris Trust and Savings Bank by appointment, as rights agent. The rights agreement amendment was entered into to render the rights (as defined in the rights agreement) inapplicable to the transactions contemplated by the master agreement and to ensure that:

none of ATB Holdings, EXM LLC, New Ashland, Marathon, Marathon Oil Company, Marathon Domestic LLC, MAP or any other person is an acquiring person (as defined in the rights agreement) by reason of the execution and delivery of the master agreement or any other transaction agreement or the closing of the transactions;

neither a distribution date nor a business combination (each as defined in the rights agreement) shall occur by reason of the execution and delivery of the master agreement or any other transaction agreement or the closing of the transactions; and

New Ashland will be substituted for Ashland at the effective time of the acquisition merger and the rights agreement will continue in effect after that time.

The foregoing description of the rights agreement amendment is not a complete description of the rights agreement amendment and is qualified in its entirety by reference to the full text of the rights agreement amendment, a copy of which is attached as an exhibit to the registration statement and is incorporated by reference in this proxy statement/prospectus. We encourage you to read the rights agreement amendment in its entirety for a more complete description of the rights agreement amendment.

Amendment to MAP LLC Agreement

Effective March 18, 2004, the amendment to the MAP LLC agreement amends the rights of MAP, Marathon Oil Company and Ashland to permit MAP to effect the partial redemption, to ensure that MAP has sufficient cash to effect the partial redemption and to address certain tax-related issues with respect to the transactions. The following is a summary description of the terms and conditions of the amendment to the LLC agreement. This description is not a complete description of that amendment and is qualified by reference to the full text of that amendment, a copy of which is attached as Annex E to this proxy statement/prospectus. We encourage you to read the amendment to the LLC agreement in its entirety for a more complete description of the terms and conditions of that amendment.

Distributions. The amendment to the LLC agreement prohibits cash distributions (including tax distributions) by MAP to Marathon Oil Company or Ashland unless approved by a supermajority vote of the MAP board of managers.

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Partial redemption. The amendment to the LLC agreement provides that MAP shall effect the partial redemption in accordance with the terms of the master agreement by distributing cash and accounts receivable to Ashland.

Loans from MAP to Ashland or Marathon Oil Company. Loans from MAP to Ashland or Marathon Oil Company prior to January 1, 2005 are prohibited unless approved by a supermajority vote of the MAP board of managers. At any time during the period beginning on January 1, 2005 and ending on the date 45 days prior to the date of the closing of the transactions, loans from MAP to Ashland, but not to Marathon Oil Company will be permitted on terms and conditions consistent with MAP s historic practice with respect to such loans. Ashland will be required to repay all such loans no later than 30 days prior to the date of the closing of the transactions.

Tax allocations. The amendment to the LLC agreement provides that tax items with respect to certain employee benefit matters or environmental remediation projects shall be allocated to Marathon Oil Company in a manner consistent with other agreements between Ashland and Marathon Oil Company regarding such issues under the terms of the master agreement. The amendment to the LLC agreement further provides that prior to the date of the closing of the transactions, the parties will take all steps necessary to ensure that the partial redemption does not alter the share of MAP s nonrecourse debt allocated to each of Ashland and Marathon Oil Company, respectively, prior to the partial redemption. In addition, the capital accounts of Ashland and Marathon Oil Company shall be adjusted to reflect the respective fair market values of each of MAP assets (or class of assets, as appropriate) based on the amount of gain or loss that would be allocated to each of Ashland and Marathon Oil Company under the terms of the LLC agreement with respect to each such asset or class of assets as if MAP had sold all of its assets for such fair market values immediately prior to the partial redemption.

MAP company leverage policy. MAP s company leverage policy has been amended to permit MAP to incur only the following types of indebtedness:

- borrowings under one or more revolving credit facilities, uncommitted money market facilities or other comparable debt facilities (including, prior to October 1, 2004, credit facilities provided by, or guaranteed by, Ashland and/or Marathon Oil Company) in an amount not to exceed $500 million and in a manner reasonably consistent with MAP s historic borrowing practices;

- borrowings from subsidiaries of MAP;

- borrowings solely designated for the Detroit refinery upgrade and expansion project;

- borrowings in response to catastrophic events (such as damage to MAP property caused by storms or fire) or unforeseen expenditures mandated by law, regulation or administrative ruling, in each case that are promulgated after the date of the closing of the transactions; and

- borrowings for purposes approved by the IRS in a private letter ruling issued with respect to the transactions.

However, MAP is permitted to meet its funding requirements by entering into the following types of transactions treated as sales for U.S. income tax purposes:

- sales of accounts receivable to third parties, but only for purposes (i) of maintaining an adequate level of liquidity for purposes of managing MAP s operations; or (ii) for purposes approved by the IRS in a private letter ruling issued with respect to the transactions;

and

sale-leasebacks and pre-existing synthetic leases and ongoing leasing programs (including, without limitation, its auto and light truck TRAC leasing program).

Consequences of termination of master agreement. In the event that the master agreement terminates prior to the closing of the transactions, the amendments to the MAP company leverage policy and the provisions relating to member distributions shall be restored to the language that existed prior to the amendment to the LLC agreement.

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Maleic Anhydride Supply Agreement

The maleic anhydride supply agreement will provide for Marathon to supply and Ashland to purchase substantially all of Ashland s requirements of maleic anhydride for the current capacity of Ashland s six existing manufacturing facilities in North America, limited to 100 million pounds of product per year. The term of the agreement will be five years from the date of the closing of the transactions and will continue after that five-year period with automatic annual extensions, unless terminated by either party at the end of the then current term by written notice of at least 90 days. Marathon will be responsible for transportation to Ashland s plants. The sales price for the product will be based on published market prices for butane, which is used to produce maleic anhydride, with agreed-upon maximum and minimum prices.

The maleic anhydride supply agreement will provide that either party may terminate the agreement in the event of material breach by the other party, if the breach continues without being cured for more than 30 days after notice. Marathon will warrant that the product meets the specifications contained in the agreement and that it will convey good title to the product. Marathon will replace product that does not conform to specifications and will pay Ashland s out-of-pocket costs related to any nonconforming product.

If an event occurs outside of Marathon s control which affects its maleic anhydride manufacturing operations, Marathon will be required to make a reasonable effort to supply Ashland with product from other sources, and, where manufacturing capacity is partially reduced, priority will be given to Ashland and any other customers who rely solely on Marathon for maleic anhydride.

Blanket License Agreement

The blanket license agreement will apply to the 61 VIOC centers to be contributed by Ashland to ATB Holdings and will make each of those centers subject to Ashland s standard license agreement, licensee supply agreement and licensee sign and equipment lease, with certain modifications. The blanket license agreement also contains a provision generally preventing Ashland for five years from the closing of the transactions from operating company-owned VIOC centers at any location in Michigan and in specified counties in Ohio where Marathon s VIOC centers will be located, so long as Marathon continues to operate at least 31 of the 61 VIOC centers.

Under the standard license agreement, as modified by the blanket license agreement, Marathon will be granted the right to operate each of the 61 VIOC centers and to use Ashland s proprietary marks. Each VIOC center will be granted an exclusive territory within a two-mile radius of the center. The term of the license for each VIOC center will be 15 years, with Marathon having the right to renew the license for two additional five-year terms. Marathon will pay Ashland an initial license fee of $330,000 at the closing of the transactions for all 61 licenses and, during the term of the license for each VIOC center, a monthly royalty fee of 6% of that center s adjusted gross revenue.

Under the blanket license agreement, Marathon will be permitted to transfer the VIOC centers, as a group, to any of its affiliates. Any sale of a VIOC center to a non-affiliate will be subject to Ashland s right of first refusal set forth in the standard license agreement. Each license will contain a non-compete provision which will generally prevent Marathon from operating any similar businesses during the term of the license and for two years after termination, within a radius of 25 miles of the applicable VIOC center. This restriction will not prohibit MAP from continuing to engage in any activity permitted under its formation agreements.

The licensee supply agreement, as modified by the blanket license agreement, will provide that Marathon will purchase 85% of each VIOC center s requirements of motor oils, greases, lubricants and other specified automotive products for resale from Ashland. Pricing for these products will be based on the same price that Ashland charges internally for its company-owned VIOC centers. The licensee sign and equipment lease will provide for leasing of certain signage located at each VIOC center at the closing of the transactions, which will

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remain the property of Ashland. The terms of the licensee supply agreement and the licensee sign and equipment lease for each VIOC center will continue until the termination of that center s license agreement.

Transition Services Agreement

Marathon has the option to enter into a transition services agreement with Ashland under which Ashland will perform specified support services relating to the maleic anhydride plant for a limited period of time following the closing of the transactions. The services to be provided include health, environmental and safety support services, accounting services and procurement services for various goods and services. Payment for these services will be either a fixed amount to be agreed by the parties or a fee based on the actual hours spent by Ashland employees in providing the services and applying Ashland s usual internal charges for those services. The fee will also include reimbursement of Ashland s out-of-pocket expenses and internal allocated expenses not included in the internal hourly rates for Ashland employees. The term of the agreement will be three months or such other term as may be agreed by the parties.

DESCRIPTION OF ATB HOLDINGS CAPITAL STOCK

The following description of the material terms of the common stock of ATB Holdings includes a summary of specified provisions of ATB Holdings s certificate of incorporation and by-laws that will be in effect upon completion of the reorganization merger. This description is subject to the relevant provisions of Delaware law and is qualified in its entirety by reference to ATB Holdings s certificate of incorporation and by-laws, copies of which are attached as Annex N and O, respectively, to this proxy statement/prospectus and which are incorporated by reference in this proxy statement/prospectus.

Authorized Capital Stock

ATB Holdings will be authorized to issue 300,000,000 shares of common stock, par value $1.00 per share.

Common Stock

The shares of common stock to be issued in the reorganization merger will be duly issued, fully paid and nonassessable.

No holder of common stock will have any preemptive right to subscribe for any securities of ATB Holdings.

DESCRIPTION OF NEW ASHLAND CAPITAL STOCK

The following description of the material terms of the capital stock of New Ashland includes a summary of specified provisions of New Ashland s articles of incorporation and by-laws that will be in effect upon completion of the acquisition merger. This description is subject to the relevant provisions of Kentucky law and is qualified in its entirety by reference to New Ashland s articles of incorporation and by-laws that will be in effect upon the closing of the transactions, copies of which are attached as Annex F and G, respectively, to this proxy statement/prospectus and which are incorporated by reference in this proxy statement/prospectus. New Ashland s articles of incorporation and by-laws that will be in effect upon the closing of the transactions will be substantially similar to the third restated articles of incorporation and by-laws of Ashland, respectively.

Authorized Capital Stock

New Ashland will be authorized to issue 200,000,000 shares of common stock, par value $0.01 per share, and 30,000,000 shares of cumulative preferred stock, including 500,000 shares of no par value Series A Participating Cumulative Preferred Stock.

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Common Stock

Dividends. The holders of common stock will be entitled to receive dividends when, as and if declared by the New Ashland board of directors, out of funds legally available for their payment subject to the rights of holders of preferred stock.

Voting Rights. The holders of common stock will be entitled to one vote per share on all matters submitted to a vote of New Ashland shareholders.

Rights Upon Liquidation. In the event of New Ashland s voluntary or involuntary liquidation, dissolution or winding up, the holders of common stock will be entitled to share equally in any of its assets available for distribution after the payment in full of all debts and distributions and after the holders of all series of outstanding preferred stock have received their liquidation preferences in full.

Miscellaneous. The shares of common stock to be issued in the acquisition merger will be duly issued, fully paid and nonassessable. The holders of common stock will not be entitled to preemptive or redemption rights. Shares of common stock will not be convertible into shares of any other class of capital stock. National City Bank will be the transfer agent and registrar for the common stock. The transactions are conditioned upon the shares of common stock being authorized for listing on the New York Stock Exchange or the Nasdaq National Market, subject to official notice of issuance. Ashland intends to list the shares of common stock on the New York Stock Exchange, and Ashland expects the symbol under which shares of Ashland common stock now trade (ASH) to continue to be used for the shares of New Ashland common stock.

Preferred Stock

General. The New Ashland articles of incorporation that will be in effect upon completion of the acquisition merger will authorize the board of directors of New Ashland, without further shareholder action, to provide for the issuance of up to 30,000,000 shares of preferred stock, in one or more series, and to fix the designations, terms, and relative rights and preferences, including the dividend rate, voting rights, conversion rights, redemption and sinking fund provisions and liquidation values of each of these series. New Ashland will be able to amend from time to time its articles to increase the number of authorized shares of preferred stock. Any amendment for this purpose would require the approval of the holders of two-thirds of the outstanding shares of all series of preferred stock voting together as a single class without regard to series, as well as the approval of the holders of shares of common stock. New Ashland will have 500,000 shares designated as Series A Participating Cumulative Preferred Stock reserved for issuance upon exercise of rights under a rights agreement described below under Description of New Ashland Capital Stock Preferred Stock Purchase Rights.

The summary in this proxy statement/prospectus is not complete. You should refer to New Ashland s articles of incorporation that will be in effect upon the completion of the acquisition merger or the articles of amendment establishing a particular series of preferred stock which will be filed with the Secretary of State of the Commonwealth of Kentucky and the SEC. The preferred stock will, when issued, be duly issued, fully paid and nonassessable.

Dividend Rights. The preferred stock will be preferred over the common stock as to payment of dividends. Before any dividends or distributions (other than dividends or distributions payable in common stock) on the common stock will be declared and set apart for payment or paid, the holders of shares of each series of preferred stock will be entitled to receive dividends when, as and if declared by the board of directors of New Ashland. New Ashland will pay those dividends either in cash, in shares of common stock or preferred stock or otherwise, at the rate and on the date or dates set forth in the prospectus relating to the issuance of that particular series of preferred stock. With respect to each series of preferred stock, the dividends on each share of the series will be cumulative from the date of issue of the share unless some other date is set forth in the resolution adopted by the board of directors establishing the series. Accruals of dividends will not bear interest.

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Rights Upon Liquidation. The preferred stock will be preferred over the common stock as to assets so that the holders of each series of preferred stock will be entitled to be paid, upon New Ashland s voluntary or involuntary liquidation, dissolution or winding up and before any distribution is made to the holders of common stock, the amount fixed in the resolution adopted by the board of directors establishing the series. However, in this case the holders of preferred stock will not be entitled to any other or further payment. If upon any liquidation, dissolution or winding up New Ashland s net assets are insufficient to permit the payment in full of the respective amounts to which the holders of all outstanding preferred stock are entitled, New Ashland s entire remaining net assets will be distributed among the holders of each series of preferred stock in amounts proportional to the full amounts to which the holders of each series are entitled.

Redemption. All shares of any series of preferred stock will be redeemable to the extent permitted by Kentucky law and fixed in the resolution adopted by the board of directors establishing the series. All shares of any series of preferred stock will be convertible into shares of common stock or into shares of any other series of preferred stock to the extent permitted by Kentucky law and fixed in the resolution adopted by the board of directors establishing the series.

Voting Rights. Except as provided by Kentucky law or by the resolution adopted by the board of directors establishing the series, the holders of preferred stock shall be entitled to one vote for each share of preferred stock held by them on all matters properly presented to shareholders. The holders of common stock and the holders of all series of preferred stock will vote together as one class.

Preferred Stock Purchase Rights

As a result of the closing of the transactions and the execution by Ashland of the rights agreement amendment described in Other Agreements Amendment of the Ashland Rights Agreement, New Ashland will succeed to the rights agreement entered into by Ashland on May 16, 1996, with Harris Trust and Savings Bank. National City Bank is the successor rights agent under that rights agreement. The rights agreement is a shareholder rights plan providing for a dividend of one preferred stock purchase right for, prior to the closing of the transactions, each outstanding share of Ashland common stock and, after the closing of the transactions, each outstanding share of New Ashland common stock. The rights trade automatically with shares of common stock and become exercisable only under certain circumstances as described below. The rights are designed to protect the interests of New Ashland and its shareholders against coercive takeover tactics. The purpose of the rights is to encourage potential acquirors to negotiate with the board of directors of New Ashland prior to attempting a takeover and to provide the board with leverage in negotiating on behalf of all shareholders the terms of any proposed takeover. The rights may have certain anti-takeover effects. The rights should not, however, interfere with any merger or other business combination approved by the board of directors of New Ashland.

Until a right is exercised, the holder of a right will have no rights as a New Ashland shareholder, including, without limitation, the right to vote or to receive dividends. Upon becoming exercisable, each right will entitle its holder to purchase from New Ashland one one-thousandth of a share of Series A Participating Cumulative Preferred Stock, without par value, at a purchase price of $140 per right, subject to adjustment. In general, the rights will not be exercisable until the earlier of (a) any time that New Ashland learns that a person or group or an affiliate or associate of the person or group has acquired, or has obtained the right to acquire, beneficial ownership of 15% or more of New Ashland s outstanding common stock, unless provisions preventing accidental triggering of the rights apply and (b) the close of business on the date, if any, designated by the board of directors of New Ashland following the commencement of, or first public disclosure of an intent to commence, a tender or exchange offer for 15% or more of New Ashland s outstanding common stock. The following paragraphs refer to the earlier of those dates as the distribution date and the person or group acquiring at least 15% of its common stock as an acquiring person. You should assume that any of the following provisions that refers to an acquiring person applies to any associate or affiliate of the acquiring person as well.

Upon a person s becoming an acquiring person, each holder of a right will have the right to receive, upon exercise thereof for the purchase price described above, a number of one one-thousandths of a share of Series A

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Participating Cumulative Preferred Stock equal to the product of the purchase price described above multiplied by the number of one one-thousandths of a share of Series A Participating Cumulative Preferred Stock for which a right is then exercisable and then dividing that product by 50% of the market value (as defined in the rights agreement) of New Ashland common stock on the date on which a person becomes an acquiring person. As soon as practicable after a person becomes an acquiring person, New Ashland will (1) prepare and file a registration statement under the Securities Act, on an appropriate form, with respect to the Series A Participating Cumulative Preferred Stock purchasable upon exercise of the rights; (2) cause that registration statement to become effective as soon as practicable after filing; (3) cause that registration statement to remain effective (with a prospectus at all times meeting the requirements of the Securities Act) until May 16, 2006, the expiration date of the rights agreement; and (4) qualify or register the Series A Participating Cumulative Preferred Stock purchasable upon exercise of the rights under the blue sky or securities laws of those jurisdictions as may be necessary or appropriate.

In the event that, following the distribution date, New Ashland is acquired in a merger or other business combination by a publicly traded acquiring person, or 50% or more of its assets or assets representing 50% or more of New Ashland s revenues or cash flow are sold, leased, exchanged or transferred in another manner to a publicly traded acquiring person, each right will entitle its holder to purchase, for the purchase price, that number of common shares of the corporation which at the time of the transaction would have a market value of twice the purchase price. In the event New Ashland is acquired in a merger or other business combination by a non- publicly traded acquiring person, or 50% or more of its assets or assets representing 50% or more of its revenues or cash flow are sold, leased, exchanged or otherwise transferred to a non-publicly traded acquiring person, each right will entitle its holder to purchase, for the purchase price, at the holder s option:

- that number of shares of the surviving corporation (including New Ashland, if it is the surviving corporation) in the transaction with the entity which at the time of the transaction would have a book value of twice the purchase price;

- that number of shares of the entity which at the time of the transaction would have a book value of twice the purchase price; or

- if the entity has an affiliate which has publicly traded common shares, that number of common shares of the affiliate which at the time of the transaction would have a market value of twice the purchase price.

Any rights that are at any time beneficially owned by an acquiring person will be null and void and nontransferable, and any holder of such right, including any purported transferee or subsequent holder, will be unable to exercise or transfer the right.

The rights will expire at the close of business on May 16, 2006, unless redeemed before that time. At any time prior to the earlier of (a) the time a person or group becomes an acquiring person and (b) the expiration date, the board of directors of New Ashland may redeem the rights in whole, but not in part, at a price of $.01 per right. This amount is subject to adjustment as provided in the rights agreement.

Certain Provisions of New Ashland s Articles of Incorporation

In the event of a proposed merger or tender offer, proxy contest or other attempt to gain control of New Ashland which is not approved by its board of directors, it would be possible for New Ashland s board of directors to authorize the issuance of one or more series of preferred stock with voting rights or other rights and preferences which would impede the success of the proposed merger, tender offer, proxy contest or other attempt to gain control of New Ashland. Applicable law, the articles of incorporation and the applicable rules of the stock exchanges upon which the common stock will be listed may limit this authority. The consent of the holders of common stock would not be required for any issuance of preferred stock like this.

The New Ashland articles of incorporation that will be in effect upon completion of the acquisition merger will incorporate in substance and continue to make applicable certain provisions of the Kentucky Business

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Corporation Act to require certain approvals as a condition to mergers and certain other business combinations involving New Ashland and a 10% shareholder unless (a) the transaction is approved by a majority of New Ashland s continuing directors or (b) certain minimum price and procedural requirements are met. Those approvals will include the approval of the holders of at least 80% of its voting stock, plus two-thirds of the voting stock other than voting stock owned by the 10% shareholder. In addition, the Kentucky Business Corporation Act includes a standstill provision which precludes a business combination from occurring with a 10% shareholder, notwithstanding any vote of shareholders or price paid, for a period of five years after the date that 10% shareholder becomes a 10% shareholder, unless a majority of New Ashland s independent directors approves the combination before that date.

The New Ashland articles of incorporation that will be in effect upon completion of the acquisition merger will also provide that:

- New Ashland s board of directors is classified into three classes;
- a director may be removed from office without cause only by the affirmative vote of the holders of at least 80% of the voting power of New Ashland s then outstanding voting stock;
- New Ashland s board of directors may adopt by-laws concerning the conduct of, and matters considered at, meetings of shareholders, including special meetings;
- the by-laws and certain provisions of the articles may be repealed, altered or amended only by the affirmative vote of the holders of at least 80% of the voting power of New Ashland s then outstanding voting stock; and
- the by-laws may be adopted or amended by New Ashland s board of directors. However, the by-laws adopted in this fashion may be repealed, altered or amended in the manner described in the immediately preceding bullet point.

Kentucky law authorizes Kentucky corporations to limit or eliminate the personal liability of their directors to them and their shareholders for monetary damages for breach of the directors duties as directors except for the liability of a director for:

- any transaction in which the director s personal financial interest is in conflict with the financial interests of the corporation or its shareholders;
- acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law;
- unlawful payments of dividends or purchases or redemptions of common stock; or
- any transaction from which the director derived an improper personal benefit.

Kentucky law requires a director, when discharging his or her duties as a director, to act in good faith, on an informed basis, and in a manner the director honestly believes to be in the best interests of the corporation. Absent the limitations Kentucky law authorizes, a director of a Kentucky corporation who breaches or fails to perform his or her duties in compliance with this standard is accountable to the corporation and its shareholders for monetary damages to the extent the person bringing the action proves by clear and convincing evidence that the director s conduct constituted wilful misconduct or wanton or reckless disregard for the best interests of the corporation and its shareholders, and proves that the director s breach or failure to perform was the legal cause of damages suffered by the corporation.

The articles of incorporation of New Ashland limit the liability of the members of its board of directors by providing that no director will be personally liable to New Ashland or its shareholders for monetary damages for any breach of the director s fiduciary duty as a director, except for liability that cannot be eliminated under the Kentucky Business Corporation Act as described above. This provision could have the effect of reducing the likelihood of derivative litigation against New Ashland s directors and may discourage or deter New Ashland s shareholders or management from bringing a lawsuit against New Ashland s directors for breach of their duty of care, even though such an action, if successful, might otherwise have benefited New Ashland and its shareholders.

Sections 271B.8-500 through 580 of the Kentucky Business Corporation Act provide for indemnification of directors, officers, employees and agents of Kentucky corporations, subject to certain limitations. New Ashland s articles of incorporation allow New Ashland to indemnify to the fullest extent permitted by law any person who is made party to a proceeding by reason of the fact that he or she is or was a director, officer, employee or agent of New Ashland.

New Ashland will enter into indemnification contracts with each of its directors that require indemnification unless prohibited by law.

New Ashland has insurance which insures (subject to certain terms and conditions, exclusions and deductibles) New Ashland against certain costs which it might be required to pay by way of indemnification to directors or officers under its articles of incorporation or by-laws, indemnification agreements or otherwise and protects individual directors and officers from certain losses for which they might not be indemnified by New Ashland. In addition, New Ashland has insurance which provides liability coverage (subject to certain terms and conditions, exclusions and deductibles) for amounts which New Ashland or the fiduciaries under their employee benefit plans, which may include its respective directors, officers and employees, might be required to pay as a result of a breach of fiduciary duty.

DESCRIPTION OF MARATHON CAPITAL STOCK

Marathon s authorized capital stock consists of:

- 550,000,000 shares of common stock; and
- 26,000,000 shares of preferred stock, issuable in series.

Each authorized share of common stock has a par value of $1.00. The authorized shares of preferred stock have no par value. As of March 31, 2004, 345,414,208 shares of common stock were issued and outstanding, and 1,251,770 shares of common stock were held as treasury shares. As of March 31, 2004, no shares of Marathon s preferred stock were issued and outstanding.

In the discussion that follows, Marathon has summarized provisions of its restated certificate of incorporation and by-laws relating to its capital stock. This discussion is subject to the relevant provisions of Delaware law and is qualified in its entirety by reference to Marathon s restated certificate of incorporation and by-laws. You should read the provisions of the restated certificate of incorporation and by-laws as currently in effect for more details regarding the provisions described below and for other provisions that may be important to you. Marathon has filed copies of those documents with the SEC as exhibits to the registration statement of which this proxy statement/prospectus is a part. See Where You Can Find More Information.

Common Stock

Each share of Marathon common stock has one vote in the election of each director and on all other matters voted on generally by the stockholders. No share of common stock affords any cumulative voting rights. This means that the holders of a majority of the voting power of the shares voting for the election of directors can elect all directors to be elected if they choose to do so. Marathon s board of directors may grant holders of preferred stock, in the resolutions creating the series of preferred stock, the right to vote on the election of directors or any questions affecting Marathon.

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Holders of common stock will be entitled to dividends in such amounts and at such times as Marathon s board of directors in its discretion may declare out of funds legally available for the payment of dividends. Dividends on the common stock will be paid at the discretion of Marathon s board of directors after taking into account various factors, including:

- Marathon s financial condition and performance;
- Marathon s cash needs and capital investment plans;
- Marathon s obligations to holders of any preferred stock it may issue;
- income tax consequences; and
- the restrictions Delaware and other applicable laws and Marathon s credit arrangements then impose.

In addition, the terms of the loan agreements, indentures and other agreements Marathon enters into from time to time may restrict the payment of cash dividends.

If Marathon liquidates or dissolves its business, the holders of common stock will share ratably in all assets available for distribution to stockholders after Marathon s creditors are paid in full and the holders of all series of its outstanding preferred stock, if any, receive their liquidation preferences in full.

The common stock has no preemptive rights and is not convertible or redeemable or entitled to the benefits of any sinking or repurchase fund.

Marathon s outstanding shares of the common stock are listed on the New York Stock Exchange, the Pacific Stock Exchange and the Chicago Stock Exchange and trade under the symbol MRO. The shares of common stock issued as part of the transactions will also be listed on those stock exchanges.

The transfer agent and registrar for the common stock is National City Bank.

Preferred Stock

At the direction of its board of directors, without any action by the holders of its common stock, Marathon may issue one or more series of preferred stock from time to time. Marathon s board of directors can determine the number of shares of each series of preferred stock and the designation, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions applicable to any of those rights, including dividend rights, voting rights, conversion or exchange rights, terms of redemption and liquidation preferences, of each series.

The existence of undesignated preferred stock may enable Marathon s board of directors to render more difficult or to discourage an attempt to obtain control of Marathon by means of a tender offer, proxy contest, merger or otherwise, and thereby to protect the continuity of its management. The issuance of shares of preferred stock may adversely affect the rights of the holders of common stock. For example, any preferred stock issued may rank prior to the common stock as to dividend rights, liquidation preference or both, may have full or limited voting rights and may be convertible into shares of common stock. As a result, the issuance of shares of preferred stock may discourage bids for common stock or may otherwise adversely affect the market price of the common stock or any existing preferred stock.

Limitation on Directors Liability

Delaware law authorizes Delaware corporations to limit or eliminate the personal liability of their directors to them and their stockholders for monetary damages for breach of a director s fiduciary duty of care. The duty of care requires that, when acting on behalf of the corporation, directors must exercise an informed business

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judgment based on all material information reasonably available to them. Absent the limitations Delaware law authorizes, directors of Delaware corporations are accountable to those corporations and their stockholders for monetary damages for conduct constituting gross negligence in the exercise of their duty of care. Delaware law enables Delaware corporations to limit available relief to equitable remedies such as injunction or rescission. Marathon s restated certificate of incorporation limits the liability of the members of its board of directors by providing that no director will be personally liable to Marathon or its stockholders for monetary damages for any breach of the director s fiduciary duty as a director, except for liability:

- for any breach of the director s duty of loyalty to Marathon or its stockholders;
- for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- for unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; and
- for any transaction from which the director derived an improper personal benefit.

This provision could have the effect of reducing the likelihood of derivative litigation against Marathon s directors and may discourage or deter Marathon s stockholders or management from bringing a lawsuit against its directors for breach of their duty of care, even though such an action, if successful, might otherwise have benefited Marathon and its stockholders. Marathon s by-laws provide indemnification to its officers and directors and other specified persons with respect to their conduct in various capacities.

Statutory Business Combination Provision

As a Delaware corporation, Marathon is subject to Section 203 of the Delaware General Corporation Law. In general, Section 203 prevents an interested stockholder, which is defined generally as a person owning 15% or more of a Delaware corporation s outstanding voting stock or any affiliate or associate of that person, from engaging in a broad range of business combinations with the corporation for three years following the date that person became an interested stockholder unless:

- before that person became an interested stockholder, the board of directors of the corporation approved the transaction in which that person became an interested stockholder or approved the business combination;
- on completion of the transaction that resulted in that person s becoming an interested stockholder, that person owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, other than stock held by (1) directors who are also officers of the corporation or (2) any employee stock plan that does not provide employees with the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- following the transaction in which that person became an interested stockholder, both the board of directors of the corporation and the holders of at least two-thirds of the outstanding voting stock of the corporation not owned by that person approve the business combination.

Under Section 203, the restrictions described above also do not apply to specific business combinations proposed by an interested stockholder following the announcement or notification of designated extraordinary transactions involving the corporation and a person who had not been an interested stockholder during the previous three years or who became an interested stockholder with the approval of a majority of the corporation s directors, if a majority of the directors who were directors prior to any person s becoming an interested stockholder during the previous three years, or were recommended for election or elected to succeed those directors by a majority of those directors, approve or do not oppose that extraordinary transaction.

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Other Matters

Some of the provisions of Marathon s restated certificate of incorporation and by-laws discussed below may have the effect, either alone or in combination with the provisions of its restated certificate of incorporation discussed above and Section 203 of the Delaware General Corporation Law, of making more difficult or discouraging a tender offer, proxy contest, merger or other takeover attempt that Marathon s board of directors opposes but that a stockholder might consider to be in its best interest.

Marathon s restated certificate of incorporation provides that its stockholders may act only at an annual or special meeting of stockholders and may not act by written consent. Marathon s by-laws provide that only its board of directors may call a special meeting of its stockholders.

Marathon s restated certificate of incorporation provides for a classified board of directors. Marathon s board of directors is divided into three classes, with the directors of each class as nearly equal in number as possible. At each annual meeting of Marathon s stockholders, the term of a different class of its directors will expire. As a result, the stockholders will elect approximately one-third of Marathon s board of directors each year. Board classification could prevent a party who acquires control of a majority of Marathon s outstanding voting stock from obtaining control of its board of directors until the second annual stockholders meeting following the date that party obtains that control.

Marathon s restated certificate of incorporation provides that the number of directors will be fixed from time to time by, or in the manner provided in, its by-laws, but will not be less than three. It also provides that directors may be removed only for cause. This provision, along with provisions authorizing the board of directors to fill vacant directorships, prevents stockholders from removing incumbent directors without cause and filling the resulting vacancies with their own nominees.

Marathon s by-laws contain advance-notice and other procedural requirements that apply to stockholder nominations of persons for election to the board of directors at any annual meeting of stockholders and to stockholder proposals that stockholders take any other action at any annual meeting. A stockholder proposing to nominate a person for election to the board of directors or proposing that any other action be taken at an annual meeting of stockholders must give Marathon s corporate secretary written notice of the proposal not less than 45 days and not more than 75 days before the first anniversary of the date on which Marathon first mailed its proxy materials for the immediately preceding year s annual meeting of stockholders. These stockholder proposal deadlines are subject to exceptions if the pending annual meeting date is more than 30 days prior to or more than 30 days after the first anniversary of the immediately preceding year s annual meeting. Marathon s by-laws prescribe specific information that any such stockholder notice must contain. These advance-notice provisions may have the effect of precluding a contest for the election of directors or the consideration of stockholder proposals if the proper procedures are not followed, and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal, without regard to whether consideration of those nominees or proposals might be harmful or beneficial to Marathon and its stockholders.

Marathon s restated certificate of incorporation provides that its stockholders may adopt, amend and repeal its by-laws at any regular or special meeting of stockholders by an affirmative vote of at least two-thirds of the shares outstanding and entitled to vote on that action, provided the notice of intention to adopt, amend or repeal the by-laws has been included in the notice of that meeting.

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COMPARISON OF RIGHTS OF HOLDERS OF COMMON STOCK

Ashland and New Ashland are incorporated under the laws of the Commonwealth of Kentucky. ATB Holdings and Marathon are incorporated under the laws of the State of Delaware. Your rights as an Ashland shareholder are governed by Kentucky law and Ashland s third restated articles of incorporation and by-laws. In accordance with the master agreement, at the effective time of the reorganization merger, each share of Ashland common stock (other than shares held by shareholders who validly exercise dissenters rights) issued and outstanding immediately before that effective time will be converted automatically into and thereafter represent one duly issued, fully paid and nonassessable share of ATB Holdings common stock. Your rights as an ATB Holdings stockholder will be governed by Delaware law and ATB Holdings s certificate of incorporation and by-laws that will be in effect upon completion of the reorganization merger. In accordance with the master agreement, at the effective time of the acquisition merger, each share of ATB Holdings common stock issued and outstanding immediately before that effective time will be automatically converted into the right to receive one duly issued, fully paid and nonassessable share of New Ashland common stock and a number of duly issued, fully paid and nonassessable shares of Marathon common stock equal to the exchange ratio. Your rights as a New Ashland shareholder will be governed by Kentucky law and New Ashland s restated articles of incorporation and by-laws that will be in effect upon completion of the acquisition merger. Your rights as a Marathon stockholder will be governed by Delaware law and Marathon s restated certificate of incorporation and by-laws.

The following is a comparison of the material rights of Ashland shareholders, ATB Holdings stockholders, New Ashland shareholders and Marathon stockholders under each company s organizational documents referenced above, the statutory framework of the Commonwealth of Kentucky for Ashland and New Ashland and the statutory framework of the State of Delaware for ATB Holdings and Marathon.

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Copies of the third restated articles of incorporation and by-laws of Ashland and the restated certificate of incorporation and by-laws of Marathon were previously filed with the SEC. See References to Additional Information on the inside front cover of this proxy statement/prospectus and the section of this proxy statement/prospectus entitled Where You Can Find More Information. The following description does not purport to be complete and is qualified in its entirety by reference to Kentucky law, Delaware law and each company s organizational documents referenced above.

	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Authorized Capital Stock	330 million shares, of which (1) 300 million are shares of common stock, par value of $1.00 per share, and (2) 30 million are shares of no par value cumulative preferred stock.	300 million shares of common stock, par value $1.00.	230 million shares, of which (1) 200 million are shares of common stock, par value of $0.01 per share, and (2) 30 million are shares of no par value cumulative preferred stock.	576 million shares, of which (1) 550 million are shares of common stock, par value $1.00 per share, and (2) 26 million are shares of no par value preferred stock.
Board Of Directors				
Size of Board	The board of directors must have at least one director. The exact number is determined by resolution adopted by a majority of the entire board of directors. A vote of the shareholders is required to increase or decrease by more than 30% the number of directors from that number last fixed by the shareholders.	The number of directors of ATB Holdings shall not be less than one nor more than twenty as determined by the board of directors.	The board of directors must have at least one director. The exact number is determined by resolution adopted by a majority of the entire board of directors. A vote of the shareholders is required to increase or decrease by more than 30% the number of directors from that number last fixed by the shareholders.	The number of directors will be fixed from time to time by, or in the manner provided in, Marathon s by-laws, but will not be less than three.
Qualification of Directors	Directors need not be shareholders.	Directors need not be stockholders.	Directors need not be shareholders.	Directors need not be stockholders.
Removal of Directors	Any or all directors may be removed at a meeting of the shareholders called expressly for that purpose. Kentucky law provides that a director shall be removed only if the number of votes cast to remove him	Any director may be removed from office, with or without cause, at any time by a majority vote of the stockholders entitled to vote.	Any or all directors may be removed at a meeting of the shareholders called expressly for that purpose. Kentucky law provides that a director shall be removed only if the number of votes cast to remove him	Directors may be removed only for cause by the holders of a majority of the shares then entitled to vote at an election of directors.

	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Removal of Directors (Continued)	or her exceeds the number of votes cast not to remove him or her. Ashland s third restated articles of incorporation and by-laws provide that in the case of a removal of a director without cause, removal shall require a vote of the holders of at least 80% of the voting power of the then outstanding voting stock of Ashland, voting together as a single voting group. The Ashland third restated articles of incorporation and by-laws state that cause shall mean the willful and continuous failure of a director to substantially perform such director s duties to Ashland (other than any failure resulting from incapacity due to physical or mental illness) or the willful engaging by a director in gross misconduct materially and demonstrably injurious to Ashland. Voting stock shall mean shares of capital stock of Ashland entitled to vote generally in the election of directors.		or her exceeds the number of votes cast not to remove him or her. New Ashland s restated articles of incorporation and by-laws provide that in the case of a removal of a director without cause, removal shall require a vote of the holders of at least 80% of the voting power of the then outstanding voting stock of New Ashland, voting together as a single voting group. The New Ashland restated articles of incorporation and by-laws state that cause shall mean the willful and continuous failure of a director to substantially perform such director s duties to New Ashland (other than any failure resulting from incapacity due to physical or mental illness) or the willful engaging by a director in gross misconduct materially and demonstrably injurious to New Ashland. Voting stock shall mean shares of capital stock of New Ashland entitled to vote generally in the election of directors.	

	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Cumulative Voting	None.	None.	None.	None.
Classes of Directors	So long as the board of directors shall consist of 9 or more members, the board of directors shall be classified into three classes. Each class consists, as nearly as possible, of one-third of the total number of directors constituting the entire board. Each director serves for a three-year term.	The board of directors is not classified.	The board of directors is classified into three classes. Each class consists, as nearly as possible, of one-third of the total number of directors constituting the entire board. One class will be elected for a three-year term at each annual meeting.	The board of directors is divided into three classes. Each class consists, as nearly as possible, of one-third of the whole board. At each annual meeting of Marathon s stockholders, the term of a different class of its directors will expire. Each director serves for a three-year term.
Vacancies on the Board	Any vacancy occurring on the board may be filled by a majority of the directors then in office, even if less than a quorum, and the director elected to fill such vacancy shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred and until the director s successor is elected and qualified.	Vacancies in the board of directors, including directorships to be filled by reason of an increase in the number of directors, shall be filled by appointment made by a majority of the directors then in office.	Any vacancy occurring on the board may be filled by a majority of the directors then in office, even if less than a quorum, and the director elected to fill such vacancy shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred and until the director s successor is elected and qualified.	Any vacancy in the board of directors shall be filled by a successor elected by a majority of the directors then in office, even if less than a quorum. The successor shall serve for the unexpired term of the director being replaced and until the election of a successor.
Board Quorum and Vote Requirements	A majority of the entire board of directors constitutes a quorum. The affirmative vote of a majority of directors present at a meeting at which there is a quorum constitutes action by the board of directors.	A majority of the entire board of directors shall constitute a quorum for all purposes and at all meetings. The affirmative vote of a majority of directors present at a meeting at which there is a quorum constitutes action by the board of directors.	A majority of the entire board of directors constitutes a quorum. The affirmative vote of a majority of directors present at a meeting at which there is a quorum constitutes action by the board of directors.	A majority of the total number of directors then in office constitutes a quorum. Matters shall be decided by the affirmative vote of the directors present at a meeting, provided that at least one-third of the directors in office is necessary to pass any resolution.

	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Stockholder Meetings				
Annual Meetings	The annual meeting shall be held at the principal office of Ashland on the last Thursday of January at 10:30 a.m., or such other date, time and place is determined by the board of directors and designated in the notice to such annual meeting. Notice must be mailed to shareholders no less than 10 and no more than 60 days prior to the meeting.	The annual meeting shall be held at 10:30 a.m. on the last Thursday of January, or if such day is a legal holiday then at the same hour on the next Thursday that is not a legal holiday. The board directors may fix the place of the meeting within or without the state of Delaware. At least 10 days but not more than 60 days prior to the annual meeting of stockholders, written notice of the time and place of such meeting shall be delivered personally or by mail to each stockholder entitled to vote at such meeting.	The annual meeting shall be held at the principal office of New Ashland on the last Thursday of January at 10:30 a.m., or such other date, time and place is determined by the board of directors and designated in the notice to such annual meeting. Notice must be mailed to shareholders no less than 10 and no more than 60 days prior to the meeting.	Unless changed by the board of directors, the annual meeting shall be held at the office of Marathon s registered agent in the State of Delaware at 2:00 p.m. on the last Wednesday in April, unless that day is a legal holiday, in which case the meeting will be held the next Wednesday that is not a holiday. The board may change the time and place of the meeting if all legal requirements are met. Notice of the meeting must be mailed to stockholders at least 10 and no more than 60 days before the meeting.
Special Meetings	A special meeting may be called by a majority of the members of the board, the chairman of the board or the president. A special meeting may also be called by the secretary on the written request of the holders of not less than 1/3 of all the shares entitled to vote at such meeting.	A special meeting of the stockholders may be called at any time by the chairman of the board of directors, by the president, or by a majority of the board of directors.	A special meeting may be called by a majority of the members of the board, the chairman of the board or the president. A special meeting may also be called by the secretary on the written request of the holders of not less than 1/3 of all the shares entitled to vote at such meeting.	A special meeting of stockholders may be called only by the board of directors.

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Quorum Requirements	A majority of the shares of Ashland issued and outstanding and entitled to vote at the meeting must be present in person or by proxy to constitute a quorum.	At any meeting of the stockholders, the holders of a majority of the issued and outstanding stock entitled to vote at such meeting, present in person, or represented by proxy, shall constitute a quorum for all purposes.	A majority of the shares of New Ashland issued and outstanding and entitled to vote at the meeting must be present in person or by proxy to constitute a quorum.	One-third of the voting power of the outstanding shares of stock entitled to vote generally at the meeting must be present in person or represented by proxy to constitute a quorum, unless a larger number is required by law.
Action by Written Consent	Any action required or permitted to be taken at a meeting of shareholders may be taken without a meeting, and without prior notice (except as noted below), if one or more written consents describing the action taken is signed by all of the shareholders entitled to vote on the action. Prior notice of the action to nonvoting shareholders is required if otherwise required by the Kentucky Business Corporation Act.	Any action required or permitted to be taken at a meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote were present and voted.	Any action required or permitted to be taken at a meeting of shareholders may be taken without a meeting, and without prior notice (except as noted below), if one or more written consents describing the action taken is signed by all of the shareholders entitled to vote on the action. Prior notice of the action to nonvoting shareholders is required if otherwise required by the Kentucky Business Corporation Act.	Any action required to be taken at any annual or special meeting of the stockholders, or any action that may be taken at any such meeting or otherwise, may not be taken without a meeting, prior notice and a vote, and stockholders may not act by written consent.
Notice Requirements for Stockholder Nominations and Other Proposals	In general, to bring a matter before an annual meeting or to nominate a candidate for director, a shareholder must give written notice to the secretary of the proposed matter or nomination not	No rights to stockholder nominations or proposals are provided for in the certificate of incorporation or by-laws.	In general, to bring a matter before an annual meeting or to nominate a candidate for director, a shareholder must give written notice to the secretary of the proposed matter or nomination not	In general, to bring a matter before an annual meeting or to nominate a candidate for director, a stockholder must give notice of the proposed matter or nomination no earlier than 75 days

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Notice Requirements for Stockholder Nominations and Other Proposals (Continued)	later than 90 days in advance of such meeting. If the annual meeting of shareholders is held earlier than the last Thursday in January, the notice must be given within 10 days after the first public disclosure of the date of the annual meeting.		later than 90 days in advance of such meeting. If the annual meeting of shareholders is held earlier than the last Thursday in January, the notice must be given within 10 days after the first public disclosure of the date of the annual meeting.	and no later than 45 days before the first anniversary of the date on which the company first mailed its proxy materials for the preceding year s annual meeting. However, if the date of the annual meeting is more than 30 days before or after the date of the preceding year s annual meeting, the notice must be delivered by the later of the 90th day before the annual meeting or the 10th day following the day on which the meeting date is publicly announced.
Certificate Takeover Restrictions	Ashland s third restated articles of incorporation requires that certain business combinations (including, among others, mergers and consolidations and sales, leases and exchanges of substantially all of Ashland s assets) involving a person or entity that beneficially owns 10% or more of the outstanding shares of Ashland voting stock or an affiliate of that person or entity, which we refer to as an interested	None.	New Ashland s restated articles of incorporation will require that certain business combinations (including, among others, mergers and consolidations and sales, leases and exchanges of substantially all of New Ashland s assets) involving a person or entity that beneficially owns 10% or more of the outstanding shares of New Ashland voting stock or an affiliate of that person or entity, which we refer to as an interested	Marathon is subject to Section 203 of the Delaware General Corporation Law, which prevents an interested stockholder, generally defined as a person owning 15% or more of a Delaware corporation s outstanding voting stock or any affiliate or associate of that person, from engaging in business combinations with the corporation for three years following the date that person became

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Certificate Takeover Restrictions (Continued)	shareholder, or with any other corporation, whether or not itself an interested shareholder, which is, or after a merger or consolidation would be, an affiliate of an interested shareholder who was an interested shareholder prior to the transaction, must be approved by (1) at least 80% of the votes entitled to be cast by the voting stock and (2) 66 2/3% of the voting power of the then outstanding voting stock other than voting stock owned by the interested shareholder. These supermajority provisions do not apply if:		shareholder, or with any other corporation, whether or not itself an interested shareholder, which is, or after a merger or consolidation would be, an affiliate of an interested shareholder who was an interested shareholder prior to the transaction, must be approved by (1) at least 80% of the votes entitled to be cast by the voting stock and (2) 66 2/3% of the voting power of the then outstanding voting stock other than voting stock owned by the interested shareholder. These supermajority provisions will not apply if:	an interested stockholder unless: - before that person became an interested stockholder, the board of directors of the corporation approved the transaction in which that person became an interested stockholder or approved the business combination; - on completion of the transaction that resulted in that person s becoming an interested stockholder, that person owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, other than stock held by (1) directors who are also officers of the corporation or (2) any employee stock plan that does not provide employees with the right to determine confidentially whether shares held subject to the plan will be tendered in a
	- a majority of the directors who are unaffiliated with the interested shareholder and who were in office before the interested shareholder became an interested shareholder (or were recommended or elected by a majority of such directors) approve the transaction; or		- a majority of the directors who are unaffiliated with the interested shareholder and who were in office before the interested shareholder became an interested shareholder (or were recommended or elected by a majority of such directors) approve the transaction; or	

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Certificate Takeover Restrictions (Continued)	- the shareholders in the business combination receive a fair price based on market value and/or prices previously paid by the interested shareholder, as measured on certain designated dates.		- the shareholders in the business combination receive a fair price based on market value and/or prices previously paid by the interested shareholder, as measured on certain designated dates. New Ashland s restated articles of incorporation will also make applicable the Kentucky business combinations statutes which currently apply to Ashland.	tender or exchange offer; or - following the transaction in which that person became an interested stockholder, both the board of directors of the corporation and the holders of at least two-thirds of the outstanding voting stock of the corporation not owned by that person approve the business combination. These restrictions do not apply to specific business combinations proposed by an interested stockholder following the announcement or notification of designated extraordinary transactions involving the corporation and a person who had not been an interested stockholder during the previous three years or who became an interested stockholder with the approval of a majority of the corporation s directors, if a

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Certificate Takeover Restrictions (Continued)				majority of the directors who were directors prior to any person s becoming an interested stockholder during the previous three years, or were recommended for election or elected to succeed those directors by a majority of those directors, approve or do not oppose that extraordinary transaction.
Votes Per Share	Each share is entitled to one vote.	Each share is entitled to one vote.	Each share is entitled to one vote.	Each share is entitled to one vote.
Amendment to Organizational Documents				
Articles/Certificate of Incorporation	Amendments generally must be recommended by the board of directors and approved by a majority of the votes cast on the amendment and, if applicable, by a majority of the outstanding stock of each class or series entitled to vote on the amendment as a class or series.	Amendments generally must be approved by the board of directors and by a majority of the outstanding stock entitled to vote on the amendment, and if applicable, by a majority of the outstanding stock of each class or series entitled to vote on the amendment as a class or series.	Amendments generally must be recommended by the board of directors and approved by a majority of the votes cast on the amendment and, if applicable, by a majority of the outstanding stock of each class or series entitled to vote on the amendment as a class or series.	Amendments generally must be approved by the board of directors and by a majority of the outstanding stock entitled to vote on the amendment and, if applicable, by a majority of the outstanding stock of each class or series entitled to vote on the amendment as a class or series.
	If any shares of preferred stock are outstanding, the affirmative vote or consent of the holders of at least 66 $^{2}/3$% of the number of shares of preferred stock		If any shares of preferred stock are outstanding, the affirmative vote or consent of the holders of at least 66 $^{2}/3$% of the number of shares of preferred stock	The consent of holders of 66 $^{2}/3$% of all of the shares of Series A Junior Preferred Stock outstanding, voting separately as a class, is necessary to change any of the

	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Articles/Certificate of Incorporation (Continued)	outstanding at the time, voting as a class without regard to series, is required to alter or change any of the provisions of the articles in a way that adversely affects the relative rights and preferences of the preferred stock.		outstanding at the time, voting as a class without regard to series, is required to alter or change any of the provisions of the articles in a way that adversely affects the relative rights and preferences of the preferred stock.	provisions in Marathon s restated certificate of incorporation so as to adversely affect the powers, preferences or rights of the Series A Junior Preferred Stock.
	Additionally, the affirmative vote or consent of the holders of at least 66 $^{2}/3$% of the number of shares of any series of preferred stock outstanding at the time, voting separately as a series, is required to alter or change any of the provisions of the articles in a way that adversely affects the relative rights and preferences of such series of preferred stock. No such amendment passed by the Series A Preferred Stock shareholders will apply to any holder of Series A Preferred Stock originally issued upon exercise of a right after such approval without the approval of the holder of such Series A Preferred Stock.		Additionally, the affirmative vote or consent of the holders of at least 66 $^{2}/3$% of the number of shares of any series of preferred stock outstanding at the time, voting separately as a series, is required to alter or change any of the provisions of the articles in a way that adversely affects the relative rights and preferences of such series of preferred stock. No such amendment passed by the Series A Preferred Stock shareholders will apply to any holder of Series A Preferred Stock originally issued upon exercise of a right after such approval without the approval of the holder of such Series A Preferred Stock.	

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Articles/Certificate of Incorporation (Continued)	The affirmative vote of shares representing not less than 80% of the votes entitled to be cast by the voting stock is required to alter, amend or adopt any provision inconsistent with or repeal the provisions that (1) outline this 80% voting requirement (Article IX) (2) outline the board size, election and removal requirements (Article VI) and (3) outline the procedures for adopting, amending, altering or repealing the by-laws (Article VII).		The affirmative vote of shares representing not less than 80% of the votes entitled to be cast by the voting stock is required to alter, amend or adopt any provision inconsistent with or repeal the provisions that (1) outline this 80% voting requirement (Article IX) (2) outline the board size, election and removal requirements (Article VI) and (3) outline the procedures for adopting, amending, altering or repealing the by-laws (Article VII).	
	The affirmative vote of shares representing (1) not less than 80% of the votes entitled to be cast by the voting stock voting together as a single class and (2) not less than 66 $^{2}/3$% of the votes entitled to be cast by the voting stock not beneficially owned, directly or indirectly, by any interested shareholder is required to amend, repeal, or adopt any provisions inconsistent with		The affirmative vote of shares representing (1) not less than 80% of the votes entitled to be cast by the voting stock voting together as a single class and (2) not less than 66 $^{2}/3$% of the votes entitled to be cast by the voting stock not beneficially owned, directly or indirectly, by any interested shareholder is required to amend, repeal, or adopt any provisions inconsistent with	

	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Articles/Certificate of Incorporation (Continued)	the provisions restricting certain business combinations with interested shareholders, as described in this chart under Certificate Takeover Restrictions.		the provisions restricting certain business combinations with interested shareholders, as described in this chart under Certificate Takeover Restrictions.	
By-laws	Ashland s board of directors may adopt by-laws concerning the conduct of the affairs of the company and the conduct of, and matters considered at, meetings of shareholders, including special meetings. The board may also alter, amend or repeal the by-laws. However, the by-laws may be altered, amended or repealed only with the affirmative vote of the holders of at least 80% of the voting power of Ashland s then outstanding voting stock, voting as a single class.	ATB Holdings board of directors is expressly authorized to adopt, alter, amend or repeal the by-laws of the corporation. The by-laws may be amended, altered, changed, added to or repealed at any annual meeting of stockholders, without advance notice, or at any special meeting of the stockholders if notice is contained in the notice of the special meeting or by the board of directors at any regular or special meeting of the board of directors if notice is contained in the notice of such meeting of the board. *Provided*, however, that action taken by the stockholders intended to supersede action taken by the board in making, amending, altering, changing, adding to	New Ashland s board of directors may adopt by-laws concerning the conduct of the affairs of the company and the conduct of, and matters considered at, meetings of shareholders, including special meetings. The board may also alter, amend or repeal the by-laws. However, the by-laws may be altered, amended or repealed only with the affirmative vote of the holders of at least 80% of the voting power of New Ashland s then outstanding voting stock, voting as a single class.	Marathon s board of directors may adopt, amend and repeal the company s by-laws at any regular or special meeting of the board of directors by a vote of two-thirds of the directors then in office, provided the notice of intention to adopt, amend or repeal the by-laws has been included in the notice of that meeting.

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
By-laws (Continued)		or repealing any by-laws shall supersede prior action of the board to the extent indicated in the statement, if any, of the stockholders accompanying such action of the stockholders.		
Exculpation and Indemnification of Directors, Officers and Employees				
Exculpation	The third restated articles of incorporation of Ashland include provisions eliminating the personal liability to Ashland and its shareholders of directors for monetary damages for any breach of their duties as directors to the extent permitted under Kentucky law.	A director shall not be personally liable to ATB Holdings for monetary damages for breach of fiduciary duty as a director, except for liability:	The restated articles of incorporation of New Ashland include provisions eliminating the personal liability to New Ashland and its shareholders of directors for monetary damages for any breach of their duties as directors to the extent permitted under Kentucky law.	Marathon s restated certificate of incorporation includes provisions eliminating the personal liability of directors for monetary damages for breach of any fiduciary duty as a director to the extent permitted under Delaware law.
		- for any breach of the director s duty of loyalty to ATB Holdings or its stockholders;		
	The above provisions protect Ashland directors against personal liability for monetary damages related to breaches of their fiduciary duty of care. None of the above provisions eliminates the director s duty of care. However, under Kentucky	- for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law;	The above provisions protect New Ashland directors against personal liability for monetary damages related to breaches of their fiduciary duty of care. None of the above provisions eliminates the director s duty of care. However, under Kentucky law, a director s	The above provisions protect Marathon directors against personal liability for monetary damages related to breaches of their fiduciary duty of care. None of the above provisions eliminates the director s duty of care nor has any effect on the availability of equitable remedies, such as an
		- for unlawful payment of dividends under Section 174 of the Delaware General Corporation Law; or		

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Exculpation (Continued)	law, a director s actions cannot be the basis for monetary damages or injunctive relief unless	- for any transaction from which the director derived an improper personal benefit.	actions cannot be the basis for monetary damages or injunctive relief unless	injunction or rescission, based upon a director s breach of his or her duty of care.
	- the director did not discharge his or her duties in good faith, on an informed basis and in a manner honestly believed to be in the best interests of the corporation and	The above provisions protect ATB Holdings directors against personal liability for monetary damages related to breaches of their fiduciary duty of care. None of the above provisions eliminates the director s duty of care nor has any effect on the availability of equitable remedies, such as an injunction or rescission, based upon a director s breach of his or her duty of care.	- the director did not discharge his or her duties in good faith, on an informed basis and in a manner honestly believed to be in the best interests of the corporation and	
	- the director s conduct constituted wilful misconduct or wanton or reckless disregard for the best interests of the corporation and its shareholders.		- the director s conduct constituted wilful misconduct or wanton or reckless disregard for the best interests of the corporation and its shareholders.	
Indemnification	In general, the third restated articles of incorporation and by-laws provide for indemnification of any individual who was or is a party to any threatened, pending or completed claim, action, suit or proceeding by reason of his or her status as a director, officer or employee of Ashland or of another entity at Ashland s request against any expenses, judgments, fines or	In general, the certificate of incorporation provides for indemnification, to the fullest extent permitted by Delaware law, for each individual who is a party to, or otherwise involved in, any proceeding because of his or her status as a director, officer or agent of ATB Holdings. Under Delaware law, ATB Holdings may advance	In general, the restated articles of incorporation and by-laws provide for indemnification of any individual who was or is a party to any threatened, pending or completed claim, action, suit or proceeding by reason of his or her status as a director, officer or employee of New Ashland or of another entity at New Ashland s request against any expenses, judgments, fines or	In general, the by-laws provide that Marathon shall indemnify any person who was or is made or threatened to be made a party or is involved in a proceeding by reason of the fact that he, or a person for whom he is the legal representative, is or was a director, officer, employee or agent of Marathon or is or was serving at the request of Marathon as a director, officer,

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Indemnification (Continued)	settlements reasonably incurred if the individual: - has been successful on the merits or otherwise with respect to such claim, action, suit or proceeding; or - acted in good faith, in what the person reasonably believed to be the best interests of Ashland or such other entity, as the case may be, and in addition, in any criminal action or proceeding, had no reasonable cause to believe that the person s conduct was unlawful. Ashland shall advance expenses to a director, officer or employee, but the individual shall be obligated to repay the advances if it is ultimately determined that the individual is not entitled to indemnification. Ashland may require the director, officer or employee to sign a written instrument acknowledging such obligation to repay expenses as a condition to advance the	expenses to a director, officer or agent upon receipt of an undertaking to repay the advanced amount if it is ultimately determined that the individual is not entitled to indemnification.	settlements reasonably incurred if the individual: - has been successful on the merits or otherwise with respect to such claim, action, suit or proceeding; or - acted in good faith, in what the person reasonably believed to be the best interests of New Ashland or such other entity, as the case may be, and in addition, in any criminal action or proceeding, had no reasonable cause to believe that the person s conduct was unlawful. New Ashland shall advance expenses to a director, officer or employee, but the individual shall be obligated to repay the advances if it is ultimately determined that the individual is not entitled to indemnification. New Ashland may require the director, officer or employee to sign a written instrument acknowledging such obligation to repay expenses as a condition to advance the	employee or agent of another entity against all expenses, liability and loss reasonably incurred by such person. Marathon will advance expenses reasonably incurred by an indemnitee in connection with a proceeding, but the indemnitee must repay the advance if it is ultimately determined that the indemnitee is not entitled to indemnification.

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Indemnification (Continued)	expenses. Ashland may also refuse to advance expenses or discontinue advancing expenses if it is determined by Ashland, in its sole and exclusive discretion, not to be in the best interest of Ashland.		expenses. New Ashland may also refuse to advance expenses or discontinue advancing expenses if it is determined by New Ashland, in its sole and exclusive discretion, not to be in the best interest of New Ashland.	
Dividends	The holders of common stock are entitled to receive dividends when, as and if declared by the board of directors, out of funds legally available for their payment subject to the rights of holders of preferred stock.	The holders of common stock are entitled to receive dividends when, as and if declared by the board of directors, out of funds legally available for their payment subject to the rights of holders of preferred stock.	The holders of common stock are entitled to receive dividends when, as and if declared by the board of directors, out of funds legally available for their payment subject to the rights of holders of preferred stock.	The directors may declare dividends as they deem advisable and proper, subject to the rights of the holders of preferred stock and other restrictions imposed by law. Any dividends declared will be paid to the stockholders at a time fixed by the directors.
Liquidation	In the event of Ashland s voluntary or involuntary liquidation, dissolution or winding up, the holders of common stock are entitled to share equally in any of its assets available for distribution after the payment in full of all debts and distributions and after the holders of all series of outstanding preferred stock have received their liquidation preferences in full.	In the event of ATB Holdings voluntary or involuntary liquidation, dissolution or winding up, the holders of common stock are entitled to share equally in any of its assets available for distribution after the payment in full of all debts and distributions and after the holders of all series of outstanding preferred stock have received their liquidation preferences in full.	In the event of New Ashland s voluntary or involuntary liquidation, dissolution or winding up, the holders of common stock are entitled to share equally in any of its assets available for distribution after the payment in full of all debts and distributions and after the holders of all series of outstanding preferred stock have received their liquidation preferences in full.	If Marathon liquidates or dissolves its business, the holders of common stock will share ratably in all assets available for distribution to stockholders after Marathon s creditors are paid in full and the holders of all series of its outstanding preferred stock, if any, receive their liquidation preferences in full.

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	ASHLAND	ATB HOLDINGS	NEW ASHLAND	MARATHON
Preemptive Rights	None.	None.	None.	None.

LIABILITY AND INDEMNIFICATION OF DIRECTORS

Ashland and New Ashland

Kentucky law authorizes Kentucky corporations to limit or eliminate the personal liability of their directors to them and their shareholders for monetary damages for breach of the directors duties as directors except for the liability of a director for:

- any transaction in which the director s personal financial interest is in conflict with the financial interests of the corporation or its shareholders;
- acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law;
- unlawful payments of dividends or purchases or redemptions of common stock; or
- any transaction from which the director derived an improper personal benefit.

Kentucky law requires a director, when discharging his or her duties as a director, to act in good faith, on an informed basis, and in a manner the director honestly believes to be in the best interests of the corporation. Absent the limitations Kentucky law authorizes, a director of a Kentucky corporation who breaches or fails to perform his or her duties in compliance with this standard is accountable to the corporation and its shareholders for monetary damages to the extent the person bringing the action proves by clear and convincing evidence that the director s conduct constituted wilful misconduct or wanton or reckless disregard for the best interests of the corporation and its shareholders, and proves that the director s breach or failure to perform was the legal cause of damages suffered by the corporation.

Ashland. The third restated articles of incorporation of Ashland limit the liability of the members of its board of directors by providing that no director will be personally liable to Ashland or its shareholders for monetary damages for any breach of the director s fiduciary duty as a director, except for liability that cannot be eliminated under the Kentucky Business Corporation Act as described above. This provision could have the effect of reducing the likelihood of derivative litigation against Ashland s directors and may discourage or deter Ashland s shareholders or management from bringing a lawsuit against Ashland s directors for breach of their duty of care, even though such an action, if successful, might otherwise have benefited Ashland and its shareholders.

Sections 271B.8-500 through 580 of the Kentucky Business Corporation Act provide for indemnification of directors, officers, employees and agents of Kentucky corporations, subject to certain limitations. Ashland s third restated articles of incorporation allow Ashland to indemnify to the fullest extent permitted by law any person who is made party to a proceeding by reason of the fact that he or she is or was a director, officer, employee or agent of Ashland.

Ashland has entered into indemnification contracts with each of its directors that require indemnification to the fullest extent permitted by law, subject to certain exceptions and limitations.

Ashland has purchased insurance which insures (subject to certain terms and conditions, exclusions and deductibles) Ashland against certain costs which it might be required to pay by way of indemnification to directors or officers under its articles of incorporation or by-laws, indemnification agreements or otherwise and protects individual directors and officers from certain losses for which they might not be indemnified by Ashland. In addition, Ashland has purchased insurance which provides liability coverage (subject to certain terms

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and conditions, exclusions and deductibles) for amounts which Ashland or the fiduciaries under their employee benefit plans, which may include its respective directors, officers and employees, might be required to pay as a result of a breach of fiduciary duty.

New Ashland. New Ashland s articles of incorporation limit the liability of the members of its board of directors by providing that no director will be personally liable to New Ashland or its shareholders for monetary damages for any breach of the director s fiduciary duty as a director, except for liability that cannot be eliminated under the Kentucky Business Corporation Act, as described above under Liability and Indemnification of Directors Ashland. This provision could have the effect of reducing the likelihood of derivative litigation against New Ashland s directors and may discourage or deter New Ashland s shareholders or management from bringing a lawsuit against New Ashland s directors for breach of their duty of care, even though such an action, if successful, might otherwise have benefited New Ashland and its shareholders.

New Ashland s articles of incorporation allow New Ashland to indemnify to the fullest extent permitted by law any person who is made party to a proceeding by reason of the fact that he or she is or was a director, officer, employee or agent of New Ashland.

New Ashland will enter into indemnification contracts with each of its directors that require indemnification unless prohibited by law.

New Ashland has insurance which insures (subject to certain terms and conditions, exclusions and deductibles) New Ashland against certain costs which it might be required to pay by way of indemnification to directors or officers under its articles of incorporation or by-laws, indemnification agreements or otherwise and protects individual directors and officers from certain losses for which they might not be indemnified by New Ashland. In addition, New Ashland has insurance which provides liability coverage (subject to certain terms and conditions, exclusions and deductibles) for amounts which New Ashland or the fiduciaries under their employee benefit plans, which may include its respective directors, officers and employees, might be required to pay as a result of a breach of fiduciary duty.

ATB Holdings

Delaware law authorizes Delaware corporations to limit or eliminate the personal liability of their directors to them and their stockholders for monetary damages for breach of a director s fiduciary duty of care. The duty of care requires that, when acting on behalf of the corporation, directors must exercise an informed business judgment based on all material information reasonably available to them. Absent the limitations Delaware law authorizes, directors of Delaware corporations are accountable to those corporations and their stockholders for monetary damages for conduct constituting gross negligence in the exercise of their duty of care. Delaware law enables Delaware corporations to limit available relief to equitable remedies such as injunction or rescission. A director s liability, however, cannot be eliminated or limited for:

- any breach of the director s duty of loyalty to the corporation or its stockholders;
- acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law;
- unlawful payments of dividends or purchases or redemptions of common stock; or
- any transaction from which the director derived an improper personal benefit.

ATB Holdings s certificate of incorporation limits the liability of the members of its board of directors by providing that no director will be personally liable to ATB Holdings or its stockholders for monetary damages for any breach of the director s fiduciary duty as a director, except for liability that cannot be eliminated under the Delaware General Corporation Law as described above. This provision could have the effect of reducing the likelihood of derivative litigation against ATB Holdings s directors and may discourage or deter ATB Holdings s stockholders or management from bringing a lawsuit against ATB Holdings s directors for breach of their duty of care, even though such an action, if successful, might otherwise have benefited ATB Holdings and its stockholders.

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Delaware law authorizes Delaware corporations to provide for indemnification of directors, officers, employees and agents subject to certain limitations. ATB Holdings s certificate of incorporation provides for indemnification to the fullest extent permitted by law to any person who is made party to a proceeding by reason of the fact that he or she is or was a director, officer or agent of ATB Holdings.

ATB Holdings has insurance which insures (subject to certain terms and conditions, exclusions and deductibles) ATB Holdings against certain costs which it might be required to pay by way of indemnification to its directors or officers under its certificate of incorporation or by-laws, indemnification agreements or otherwise and protects individual directors and officers from certain losses for which they might not be indemnified by ATB Holdings. In addition, ATB Holdings has insurance which provides liability coverage (subject to certain terms and conditions, exclusions and deductibles) for amounts which ATB Holdings or the fiduciaries under its employee benefit plans, which may include its directors, officers and employees, might be required to pay as a result of a breach of fiduciary duty.

Marathon

Marathon s restated certificate of incorporation limits the liability of the members of its board of directors by providing that no director will be personally liable to Marathon or its stockholders for monetary damages for any breach of the director s fiduciary duty as a director, except for liability that cannot be eliminated under the Delaware General Corporation Law, as described above under Liability and Indemnification of Directors ATB Holdings. This provision could have the effect of reducing the likelihood of derivative litigation against Marathon s directors and may discourage or deter Marathon s stockholders or management from bringing a lawsuit against Marathon s directors for breach of their duty of care, even though such an action, if successful, might otherwise have benefited Marathon and its stockholders. Marathon s by-laws provide for indemnification and advancement of expenses to the fullest extent permitted by law to any person who is made party to a proceeding by reason of the fact that he or she is or was an officer, director, employee or agent of Marathon or was serving at the request of Marathon as an officer, director, employee or agent of another entity.

Disclosure of SEC Position on Indemnification for Securities Act Liabilities

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling ATB Holdings, New Ashland or Marathon pursuant to the foregoing provisions, ATB Holdings, New Ashland and Marathon have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

LEGAL MATTERS

The validity of the shares of ATB Holdings common stock to be issued in connection with the transactions will be passed upon for ATB Holdings by Cravath, Swaine & Moore LLP. The validity of the shares of New Ashland common stock to be issued in connection with the transactions will be passed upon for New Ashland by Wyatt, Tarrant & Combs LLP. The validity of the shares of Marathon common stock to be issued in connection with the transactions will be passed upon for Marathon by Baker Botts L.L.P.

It is a condition to the closing of the transactions that Ashland and Marathon receive certain opinions from Cravath, Swaine & Moore LLP and Miller & Chevalier Chartered, respectively, with respect to the tax treatment of the transactions. See the sections of this proxy statement/prospectus entitled The Transactions Material U.S. Federal Income Tax Consequences of the Transactions and The Master

Agreement Conditions to Closing of the Transactions.

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NEW ASHLAND UNAUDITED CONDENSED PRO FORMA FINANCIAL STATEMENTS

The following unaudited condensed pro forma financial statements of New Ashland are based upon the historical financial statements of Ashland and its consolidated subsidiaries, adjusted to give effect to the transactions, as well as the use of a portion of the proceeds to repay substantially all of Ashland s outstanding debt, purchase certain assets currently under operating leases, and repurchase certain accounts receivable sold under Ashland s sale of receivables program. The following unaudited condensed pro forma financial statements of New Ashland should be read in conjunction with the related notes and with the historical consolidated financial statements of Ashland and the related notes included in previous filings with the SEC and incorporated by reference into this proxy statement/prospectus. The unaudited condensed pro forma income statements were adjusted to reflect these items as if they occurred at October 1, 2002. The unaudited condensed pro forma balance sheet reflects these items as if they occurred at March 31, 2004. In addition, the pro forma balance sheet reflects the use of $100 million of proceeds from the transactions to fund a contribution to Ashland s pension plan at March 31, 2004. The pro forma adjustments are based on available information and certain assumptions that Ashland executive management believes are reasonable and are described in the related notes.

The unaudited condensed pro forma financial statements are provided for illustrative purposes only and are not necessarily indicative of the operating results or financial position that would have occurred if the transactions had occurred on October 1, 2002 or March 31, 2004. For example, these financial statements do not reflect any earnings from the investment of the excess proceeds remaining after the repayment of the various financings and the funding of the pension plan. You should not rely on the unaudited condensed pro forma financial statements as being indicative of the historical operating results that New Ashland would have achieved or any future operating results or financial position that it will experience after the transactions close.

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New Ashland and Consolidated Subsidiaries

Unaudited Condensed Pro Forma Consolidated Balance Sheet

March 31, 2004

(In millions except share and per share data)	Historical	(a) Sale of MAP and Other Businesses	(b) Repay Financings and Fund Pension Plan	Pro Forma
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 180	$ 2,675	$ (2,128)	$ 727
Accounts receivable	1,180	(7)	149	1,322
Allowance for doubtful accounts	(39)			(39)
Inventories	475	(2)		473
Deferred income taxes	114	(1)		113
Other current assets	137	(1)	123	259
	2,047	2,664	(1,856)	2,855
INVESTMENTS AND OTHER ASSETS				
Investment in Marathon Ashland Petroleum LLC (MAP)	2,349	(2,349)		
Goodwill	524			524
Asbestos insurance receivable (noncurrent portion)	396			396
Deferred income taxes		231	(40)	191
Other noncurrent assets	390	3	(5)	388
	3,659	(2,115)	(45)	1,499
PROPERTY, PLANT AND EQUIPMENT				
Cost	2,988	(92)	110	3,006
Accumulated depreciation, depletion and amortization	(1,792)	61		(1,731)
	1,196	(31)	110	1,275
	$ 6,902	$ 518	$ (1,791)	$ 5,629
LIABILITIES AND SHAREHOLDERS EQUITY				
CURRENT LIABILITIES				
Debt due within one year	$ 206	$	$ (206)	$
Trade and other payables	1,262			1,262
Income taxes	17			17
	1,485		(206)	1,279
NONCURRENT LIABILITIES				
Long-term debt (less current portion)	1,353		(1,352)	1
Employee benefit obligations	402		(100)	302
Deferred income taxes	221	(221)		
Reserves of captive insurance companies	192			192

Asbestos litigation reserve (noncurrent portion)	565			565
Other long-term liabilities and deferred credits	354	14	(2)	366
	3,087	(207)	(1,454)	1,426
COMMON SHAREHOLDERS EQUITY	2,330	725	(131)	2,924
	$ 6,902	$ 518	$ (1,791)	$ 5,629
Common shares outstanding at March 31, 2004 (in thousands)	70,077			70,077
Book value per common share outstanding	$ 33.26			$ 41.72

See Notes to New Ashland Unaudited Condensed Pro Forma Financial Statements.

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New Ashland and Consolidated Subsidiaries

Unaudited Condensed Pro Forma Statement of Consolidated Income

Year Ended September 30, 2003

(In millions except share and per share data)	Historical	(c) Sale of MAP and Other Businesses	(d) Repay Financings	Pro Forma
Revenues				
Sales and operating revenues	$ 7,518	$ (51)	$	$ 7,467
Equity income	301	(285)		16
Other income	46	(1)		45
	7,865	(337)		7,528
Costs and expenses				
Cost of sales and operating expenses	6,005	(29)	(12)	5,964
Selling, general and administrative expenses	1,390	(10)	(2)	1,378
Depreciation, depletion and amortization	204	(3)	9	210
	7,599	(42)	(5)	7,552
Operating income (loss)	266	(295)	5	(24)
Net interest and other financial costs	(128)		117	(11)
Income (loss) from continuing operations before income taxes	138	(295)	122	(35)
Income taxes	(44)	114	(47)	23
Income (loss) from continuing operations	$ 94	$ (181)	$ 75	$ (12)
Earnings (loss) per share from continuing operations				
Basic	$ 1.37			$ (0.18)
Diluted	$ 1.37			$ (0.18)
Average common shares outstanding (in thousands)				
Basic	68,422			68,422
Diluted	68,680			68,422

See Notes to New Ashland Unaudited Condensed Pro Forma Financial Statements.

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New Ashland and Consolidated Subsidiaries

Unaudited Condensed Pro Forma Statement of Consolidated Income

Six Months Ended March 31, 2004

(In millions except share and per share data)	Historical	(c) Sale of MAP and Other Businesses	(d) Repay Financings	Pro Forma
Revenues				
Sales and operating revenues	$ 3,735	$ (23)	$	$ 3,712
Equity income	56	(45)		11
Other income	22	5		27
	3,813	(63)		3,750
Costs and expenses				
Cost of sales and operating expenses	2,971	(15)	(9)	2,947
Selling, general and administrative expenses	643	(6)	(1)	636
Depreciation, depletion and amortization	97	(2)	6	101
	3,711	(23)	(4)	3,684
Operating income	102	(40)	4	66
Net interest and other financial costs	(59)		57	(2)
Income from continuing operations before income taxes	43	(40)	61	64
Income taxes	(16)	16	(24)	(24)
Income from continuing operations	$ 27	$ (24)	$ 37	$ 40
Earnings per share from continuing operations				
Basic	$ 0.39			$ 0.57
Diluted	$ 0.39			$ 0.57
Average common shares outstanding (in thousands)				
Basic	69,136			69,136
Diluted	70,134			70,134

See Notes to New Ashland Unaudited Condensed Pro Forma Financial Statements.

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NOTES TO NEW ASHLAND UNAUDITED CONDENSED PRO FORMA FINANCIAL STATEMENTS

(a) These adjustments reflect the transfer to Marathon of Ashland s interest in MAP, as well as the assets of Ashland s maleic anhydride business and its 61 VIOC centers in Michigan and northwest Ohio in a transaction that values those assets at approximately $3.015 billion, which includes proceeds of approximately $2.7 billion from the partial redemption and the capital contribution and $315 million of Marathon stock that will be issued directly to Ashland shareholders. The $315 million will then be reflected as a dividend on the balance sheet, resulting in a net increase in shareholders equity of $725 million. Though the terms of the master agreement specify that the proceeds to Ashland will be a combination of cash and MAP accounts receivable, the approximately $2.7 billion (net of estimated expenses of the transfer yet to be incurred of approximately $25 million) has been reflected as cash in this presentation, due to the undeterminable amount of the split, plus the fact that MAP s accounts receivable are very short-term in nature. In addition, Ashland s reserves for environmental liabilities related to sites transferred to MAP have been increased by $14 million, to reflect the terms of the agreement whereby Ashland s maximum indemnification liability to MAP for these sites has been capped at $50 million. Corresponding estimated insurance receivables related to these liabilities were increased by $3 million. Deferred tax liabilities of $452 million related to the assets to be transferred were also eliminated, with Ashland s remaining long-term deferred tax assets being reclassified to assets on the balance sheet. The net effect of the transactions is estimated to result in an increase in stockholders equity of $725 million. The income statement will reflect an estimated after-tax gain of $1.040 billion, which reflects the inclusion of $315 million of Marathon stock.

(b) These adjustments reflect the use of approximately $2.128 billion of proceeds from the transactions to repurchase substantially all of Ashland s outstanding debt, purchase certain assets from the lessors under the terms of various operating leases, repurchase $150 million of accounts receivable sold under a sale of receivables program, and make a $100 million contribution to Ashland s pension plan. The purchase of the leased assets is estimated to result in a $110 million increase in the cost of property, plant and equipment. The repurchase of the debt is estimated to result in a pretax charge of $215 million ($131 million after provision for a 39 percent income tax benefit). This estimate gives effect to the closing of the transactions and the repayment of the debt and assumes market interest rate conditions at March 31, 2004. The actual amount of this pretax charge is subject to change depending on the actual closing date of the transactions and on market interest rate conditions at the time of the closing of the transactions. Estimated current income tax benefits of the debt repayment premium ($84 million) and the pension contribution ($39 million) are reflected as refundable income taxes in other current assets.

(c) These adjustments eliminate the equity income recorded from Ashland s 38-percent ownership interest in MAP, as well as the operating results of Ashland s maleic anhydride business and its 61 VIOC centers in Michigan and northwest Ohio that are being transferred to Marathon, as if the transactions occurred as of October 1, 2002. In addition, gains and losses on petroleum crackspread futures that Ashland entered into to economically hedge or enhance its equity earnings and cash distributions from MAP have been eliminated. In addition, fees directly related to the transaction incurred during the respective periods have been eliminated. Finally, the income tax effects recorded for these items (at a rate of approximately 39 percent) have been eliminated.

(d) These adjustments eliminate the interest expense on substantially all of Ashland s debt that was assumed to be repaid with a portion of the proceeds from the transaction, as if the repayment occurred at October 1, 2002. In addition, $150 million of accounts receivable sold under Ashland s sale of receivables program were assumed to be repurchased at the same date, eliminating the costs of that program. In addition, assets under various operating leases were assumed to be purchased from the lessors under the terms of those leases. The rent expense recorded on those leases was eliminated and replaced with the depreciation expense that would have been recorded had those assets been purchased at October 1, 2002, and depreciated over their appropriate estimated useful lives (generally ranging from three to 20 years). Finally, the income tax effects of these adjustments (at a rate of approximately 39 percent) have been eliminated.

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MARATHON UNAUDITED CONDENSED PRO FORMA FINANCIAL STATEMENTS

The following unaudited condensed pro forma financial statements of Marathon and related notes have been prepared to give effect to the transactions. Marathon will account for the partial redemption and the acquisition merger as a purchase business combination under generally accepted accounting principles. Under the purchase method of accounting, Marathon will establish a new accounting basis for the assets and liabilities of MAP, to the extent of the 38% of MAP not already owned by Marathon, based on the estimated fair values of those assets and liabilities at the closing date of the transactions. The assets acquired and liabilities assumed of the maleic anhydride business and the 61 VIOC centers, as well as the 4% interest in LOOP LLC and 8.62% interest in LOCAP LLC will be revalued and recorded at their estimated fair values at the closing date.

The following unaudited condensed pro forma balance sheet as of March 31, 2004 gives effect to the transactions as if they had been completed as of March 31, 2004. The following unaudited condensed pro forma statements of income for the three months ended March 31, 2004 and the year ended December 31, 2003 give effect to the transactions as if they had been completed on January 1, 2003.

These unaudited condensed pro forma financial statements reflect a preliminary allocation of purchase price, and are in part based on a preliminary valuation of the assets to be acquired and liabilities to be assumed. The allocation of purchase price is subject to change based on finalization of the fair value of the tangible and intangible assets acquired and liabilities assumed as of the date of closing. The pro forma adjustments are based on available information and certain assumptions that management believes are reasonable and are described in the accompanying notes. The unaudited condensed pro forma financial statements are provided for illustrative purposes only and are not necessarily indicative of the operating results or financial position that would have occurred if the partial redemption and the acquisition merger had been consummated on January 1, 2003 or March 31, 2004, nor are they necessarily reflective of any future operating results or financial position. The unaudited condensed pro forma financial statements should be read in conjunction with the historical financial statements of Marathon incorporated by reference into this proxy statement/prospectus.

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Marathon Oil Corporation

Unaudited Condensed Pro Forma Balance Sheet

March 31, 2004

(Dollars in millions except share and per share data)

	Historical	Pro Forma Adjustments	Pro Forma
Assets			
Current assets:			
Cash and cash equivalents	$ 2,080	$ (36)(a)	$ 2,044
Receivables	2,509	(764)(a) 7 (b)	1,752
Inventories	2,202	402 (c) 3 (b)	2,607
Other current assets	147	1 (b)	148
Total current assets	6,938	(387)	6,551
Investments and long-term receivables	1,989	65 (d)	2,054
Property, plant and equipment, net	10,877	274 (e) 83 (b)	11,234
Prepaid pensions	175		175
Goodwill and intangibles	367	(9)(f) 970 (g)	1,328
Other noncurrent assets	145	(2)(h)	143
Total assets	$ 20,491	$ 994	$ 21,485
Liabilities and stockholders equity			
Current liabilities:			
Notes payable	$ 76	$ 1,900 (i)	$ 1,976
Accounts payable	3,308	15 (j)	3,323
Other current liabilities	575		575
Long-term debt due within one year	22		22
Total current liabilities	3,981	1,915	5,896
Long-term debt	4,106		4,106
Deferred income taxes	1,473	12 (b) 592 (k)	2,077
Employee benefits obligations	1,019	186 (f) 3 (b)	1,208
Deferred credits and other liabilities	611		611
Total liabilities	11,190	2,708	13,898
Minority interest in MAP	2,029	(2,029)(l)	
Stockholders equity	7,272	315 (m)	7,587

Total liabilities and stockholders equity	$ 20,491	$ 994	$ 21,485
Common shares outstanding at March 31, 2004 (in thousands)	345,414		354,603
Book value per common share outstanding	$ 21.05		$ 21.40

See Notes to Marathon Unaudited Condensed Pro Forma Financial Statements.

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Marathon Oil Corporation

Unaudited Condensed Pro Forma Statement of Income

Year Ended December 31, 2003

(Dollars in millions, except per share data)

	Historical	Pro Forma Adjustments	Pro Forma
Revenues and other income			
Sales and other operating revenues (including consumer excise taxes)	$ 40,963	$ 83 (n)	$ 41,046
Income from equity method investments	29	(3)(o)	26
Net gains on disposal of assets	166		166
Gain on ownership change in Marathon Ashland Petroleum LLC	(1)	1 (s)	
Other income	77		77
Total revenues and other income	41,234	81	41,315
Costs and expenses			
Cost of revenues (excludes items shown below)	32,296	61 (n)	32,357
Consumer excise taxes	4,285		4,285
Depreciation, depletion and amortization	1,175	6 (n) 16 (p)	1,197
Selling, general and administrative expenses	946	8 (n) (7)(q)	947
Other taxes	299		299
Exploration expenses	149		149
Total costs and expenses	39,150	84	39,234
Income from operations	2,084	(3)	2,081
Net interest and other financing costs	186	33 (r)	219
Minority interest in income of Marathon Ashland Petroleum LLC	302	(302)(s)	
Income before income taxes	1,596	266	1,862
Provision for income taxes	584	101 (t)	685
Income from continuing operations	$ 1,012	$ 165	$ 1,177
Income from continuing operations per share:			
Basic	$ 3.26		$ 3.62
Diluted	3.26		3.62
Average shares outstanding (in thousands):			
Basic	310,129		325,067(u)
Diluted	310,326		325,264(u)

See Notes to Marathon Unaudited Condensed Pro Forma Financial Statements.

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Marathon Oil Corporation

Unaudited Condensed Pro Forma Statement of Income

Three Months Ended March 31, 2004

(Dollars in millions, except per share data)

	Historical	Pro Forma Adjustments	Pro Forma
Revenues and other income			
Sales and other operating revenues (including consumer excise taxes)	$ 10,652	$ 20 (n)	$ 10,672
Income from equity method investments	27	(1)(o)	26
Net gains on disposal of assets	2		2
Other income	12		12
Total revenues and other income	10,693	19	10,712
Costs and expenses			
Cost of revenues (excludes items shown below)	8,523	16 (n)	8,539
Consumer excise taxes	1,052		1,052
Depreciation, depletion and amortization	302	2 (n) 4 (p)	308
Selling, general and administrative expenses	230	1 (n) (2)(q)	229
Other taxes	83		83
Exploration expenses	25		25
Total costs and expenses	10,215	21	10,236
Income from operations	478	(2)	476
Net interest and other financing costs	38	8 (r)	46
Minority interest in income of Marathon Ashland Petroleum LLC	17	(17)(s)	
Income before income taxes	423	7	430
Provision for income taxes	165	3 (t)	168
Income from continuing operations	$ 258	$ 4	$ 262
Income from continuing operations per share:			
Basic	$ 0.83		$ 0.81
Diluted	0.83		0.80
Average shares outstanding (in thousands):			
Basic	310,196		325,134(u)
Diluted	311,685		326,623(u)

See Notes to Marathon Unaudited Condensed Pro Forma Financial Statements.

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NOTES TO MARATHON UNAUDITED CONDENSED PRO FORMA FINANCIAL STATEMENTS

Total Consideration

These unaudited condensed pro forma financial statements reflect a preliminary allocation of purchase price which is subject to change based on finalization of the fair values of the tangible and intangible assets acquired and liabilities assumed as of the date of closing. The total consideration, including liabilities assumed, which is allocated in the pro forma financial statements is as follows (in millions):

Cash and MAP accounts receivable	$ 800
Marathon common stock	315
Assumption of debt	1,900
Assumption of other liabilities	3
Estimated transaction costs	17
Total consideration	$ 3,035

The excess of the purchase price over the fair value of net assets acquired has been classified as goodwill. In addition, Marathon will assume certain contingent liabilities related to Ashland s liabilities under certain existing environmental indemnification obligations related to MAP in excess of $50 million.

Pro Forma Adjustments

The following adjustments were made to the unaudited condensed pro forma financial statements:

(a) Represents the effects of the redemption by MAP of a portion of Ashland s 38% ownership interest. The redemption price of approximately $800 million plus an amount equal to 38% of the cash accumulated by MAP from its operations as of the closing of the transactions is payable in a combination of cash and MAP accounts receivable. The mix of cash and accounts receivable to be distributed has not yet been determined. Therefore, for purposes of these pro forma financial statements, Marathon has assumed that the redemption price will be $800 million and MAP s entire cash balance as of March 31, 2004 of $36 million will be distributed, with the $764 million remainder distri