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AXION Launches Recycled Plastics Division Through Acquisition of Assets

Growth through vertical integration enables reduction in supply chain costs and opens large opportunities in plastics recycling business

NEW PROVIDENCE, N.J., Nov. 22, 2013 /PRNewswire/ -- In a move that adds a significant new revenue stream through vertical integration, [AXION International Holdings, Inc.](http://photos.prnewswire.com/prnh/20131122/NY22303) (OTCBB: AXIH), a leader in recycled plastic and plastic composite technologies used to produce ECOTRAX® rail ties and STRUXURE® building products, today announced it has initiated operations of its new subsidiary AXION Recycled Plastics Incorporated. On November 15, 2013 AXION purchased assets previously used by Zanesville, Ohio-based [Y City Recycling](http://photos.prnewswire.com/prnh/20131107/NY13246LOGO), which will contribute to the Company's consolidated operations and revenues beginning with the fourth quarter of 2013. Key employees and members of Y City Recycling's management team have been hired by AXION Recycled Plastics.

(Photo: <http://photos.prnewswire.com/prnh/20131122/NY22303>)

(Logo: <http://photos.prnewswire.com/prnh/20131107/NY13246LOGO>)

The Zanesville facility generated approximately \$2,000,000 in revenues between July 1, 2013 and September 30, 2013. Management anticipates quarterly revenues potentially ramping up to \$4,000,000 to \$5,000,000 in 2014 for AXION Recycled Plastics. AXION acquired the assets by the assumption of bank debt. Three of AXION's largest investors made a \$3 million capital infusion for the repayment of certain liabilities, for the future purchase and maintenance of equipment needed for increasing capacity, and for working capital. An additional \$2.5 million revolving credit facility which includes the availability of Letters of Credit has been put in place.

"This acquisition creates value for AXION in three key ways. First, it gives us added revenue. Second, it eliminates steps in our material supply chain, thereby stabilizing our raw material costs. Third, it enhances our quality control as we now process our own material for production," stated AXION President and CEO Steve Silverman.

"Through this upstream vertical integration, we believe we will enhance our consolidated gross margins and capture market share in the recycling business by positioning AXION

Recycled Plastics as a significant regional recycled materials processor and supplier in the Midwest and Southwest," added Silverman.

AXION Recycled Plastics recycles post-consumer and post-industrial plastics including HDPE, PP, PVC, TPO, and PS in many forms. As a complete plastics recovery operation, AXION Recycled Plastics sorts, grinds, washes, blends, and pelletizes plastic for future use, offering economic benefits to its customers, while keeping waste out of landfills. In addition, they offer toll recycling services. AXION Recycled Plastics will continue to serve regional customers from its Zanesville, Ohio facility, and establish and grow the recycling capabilities at the Company's Waco, Texas facility to serve new customers in Texas and surrounding states, as well as provide raw materials internally for the Company to produce ECOTRAX® and STRUXURE®.

For further details regarding this asset acquisition please refer to the 8K filed by AXION with the Securities and Exchange Commission on November 21, 2013.

About AXION International Holdings, Inc.

AXION (OTCQB: AXIH) is a green technology company, transforming waste plastics into structural building materials. Using 100%-recycled consumer and industrial plastics, AXION develops, markets and sells its recycled structural composite products through its ECOTRAX® composite rail tie and STRUXURE® building material lines. From the railroading industry to the military to global engineering firms, AXION delivers tested, proven and superior green solutions to infrastructure needs around the world.

www.AXIH.com

Forward-Looking Statements

This release contains "forward-looking statements" for purposes of the Securities and Exchange Commission's "safe harbor" provisions under the Private Securities Litigation Reform Act of 1995 and Rule 3b-6 under the Securities Exchange Act of 1934. These forward-looking statements are subject to various risks and uncertainties that could cause AXION's actual results to differ materially from those currently anticipated, including the availability of materials at favorable pricing, sufficient manufacturing capability and the risk factors identified in AXION's filings with the Securities and Exchange Commission.

SOURCE AXION International Holdings, Inc.