

DREW ERNEST H
Form 4
July 15, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
DREW ERNEST H

(Last) (First) (Middle)

2029 LAS TUNAS ROAD

(Street)

SANTA BARBARA, CA 93103

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ASHLAND INC. [ASH]

3. Date of Earliest Transaction
(Month/Day/Year)
07/01/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | | | | (A) or (D) Price | 6,221 ⁽¹⁾ | D | |
| Restricted Stock | | | | (A) or (D) Price | 1,000 ⁽²⁾ | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| | | | | Code V (A) (D) | | Date Exercisable Expiration Date | Title | |
| Stock Options (Right to buy) | \$ 22.45 | 07/01/2005 | | A ⁽³⁾ | 3,032 | 07/30/2003 ⁽³⁾ 02/28/2013 | Common Stock | 3,032 |
| Stock Options (Right to buy) | \$ 27.22 | 07/01/2005 | | D ⁽³⁾ | 2,500 | 07/30/2003 ⁽³⁾ 02/28/2013 | Common Stock | 2,500 |
| Stock Options (Right to buy) | \$ 38.56 | 07/01/2005 | | A ⁽⁴⁾ | 3,032 | 07/31/2002 ⁽⁴⁾ 02/29/2012 | Common Stock | 3,032 |
| Stock Options (Right to buy) | \$ 46.76 | 07/01/2005 | | D ⁽⁴⁾ | 2,500 | 07/31/2002 ⁽⁴⁾ 02/29/2012 | Common Stock | 2,500 |
| Stock Options (Right to buy) | \$ 50.02 | 07/01/2005 | | A ⁽⁵⁾ | 8,490 | 07/27/2005 ⁽⁵⁾ 02/27/2015 | Common Stock | 8,490 |
| Stock Options (Right to buy) | \$ 60.66 | 07/01/2005 | | D ⁽⁵⁾ | 7,000 | 07/27/2005 ⁽⁵⁾ 02/27/2015 | Common Stock | 7,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| DREW ERNEST H 2029 LAS TUNAS ROAD SANTA BARBARA, CA 93103 | X | | | |

Signatures

Jami K. Suver,
Attorney-in-Fact

07/15/2005

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) 221 of these shares are held in Ashland's Open Enrollment Dividend Reinvestment and Stock Purchase Plan as of 7/11/2005.
- (2) Represents shares of Restricted Common Stock acquired pursuant to Ashland's stock incentive plans as approved by the shareholders and exempt pursuant to Rule 16b-3.

Amendment of outstanding stock option resulting in deemed cancellation of option and grant of replacement option. The stock option
(3) (representing a right to buy Ashland Common Stock) was originally granted on January 30, 2003 under Ashland's Amended and Restated Incentive Plan. The stock option includes a tax withholding feature pursuant to the plan.

Amendment of outstanding stock option resulting in deemed cancellation of option and grant of replacement option. The stock option
(4) (representing a right to buy Ashland Common Stock) was originally granted on January 31, 2002 under Ashland's Amended and Restated Incentive Plan. The stock option includes a tax withholding feature pursuant to the plan.

Amendment of outstanding stock option resulting in deemed cancellation of option and grant of replacement option. The stock option
(5) (representing a right to buy Ashland Common Stock) was originally granted on January 27, 2005 under Ashland's Amended and Restated Incentive Plan. The stock option includes a tax withholding feature pursuant to the plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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