

ASHLAND INC.
Form 4
November 06, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
Shannon Michael J

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
5200 BLAZER PARKWAY

3. Date of Earliest Transaction (Month/Day/Year)
11/03/2006

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

(Street)

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

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

DUBLIN, OH 43017

(City) (State) (Zip)

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/03/2006		M		1,603	A	\$ 19.75
Common Stock	11/03/2006		M		2,850	A	\$ 23.87
Common Stock	11/03/2006		S		4,453	D	\$ 60.8091
Common Stock					4,986	I	(1)
Common Stock					1,617	I	(2)
							401(K)
							LESOP

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

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(9-02)

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

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 Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Options (Right to buy)	\$ 19.75	11/03/2006		M ⁽³⁾	1,603	09/19/2003 10/19/2012	Common Stock	1,603
Stock Options (Right to buy)	\$ 23.87	11/03/2006		M ⁽³⁾	2,850	09/18/2004 10/18/2013	Common Stock	2,850

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Shannon Michael J 5200 BLAZER PARKWAY DUBLIN, OH 43017			Vice President	

Signatures

David B. Mattingly,
Attorney-in-Fact

11/06/2006

**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)

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Based on Employee Savings Plan information as of 11/3/06, the latest date for which such information is reasonably available. This information includes adjustment for special dividend of \$10.20 per share paid by Ashland Inc. on 10/25/06.

Employee stock option (represents a right to buy Ashland Common Stock) granted pursuant to Ashland's Stock Incentive Plan which

(3) vests in three annual installments: 50% after the 1st year, the next 25% the 2nd year and the remaining 25% the 3rd year. The employee stock option includes a tax withholding feature pursuant to the plan.

(2) Shares accrued under Ashland's Leveraged Employee Stock Ownership Plan as of 11/3/06.

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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