

WATERS FRANK L  
Form 4  
June 17, 2005

**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 \*  
WATERS FRANK L

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)  
  
  
  
  
  
  
  
  
  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
06/15/2005

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

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

(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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	06/16/2005		M		1,000 A \$ 39	D	1,152 <sup>(1)</sup>
Common Stock	06/16/2005		M		10,000 A \$ 36.625	D	11,152 <sup>(1)</sup>
Common Stock	06/16/2005		M		16,875 A \$ 28.13	D	28,027 <sup>(1)</sup>
Common Stock	06/16/2005		M		7,500 A \$ 34	D	35,527 <sup>(1)</sup>
Common Stock	06/16/2005		S		35,375 D \$ 69.529	D	152 <sup>(1)</sup>

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Common Stock	1,824 <sup>(2)</sup>	I	401(K)
Common Stock	670 <sup>(3)</sup>	I	LESOP

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)	Amount or Number of Shares
					V	(A)	(D)	Date Exercisable		
Stock Options (Right to buy)	\$ 28.13	06/16/2005		M <sup>(4)</sup>		16,875	09/19/2003	10/19/2012	Common Stock	16,875
Stock Options (Right to buy)	\$ 34	06/16/2005		M <sup>(4)</sup>		7,500	09/18/2004	10/18/2013	Common Stock	7,500
Stock Options (Right to buy)	\$ 36.625	06/16/2005		M <sup>(5)</sup>		10,000	09/16/2000	10/16/2009	Common Stock	10,000
Stock Options (Right to buy)	\$ 39	06/16/2005		M <sup>(6)</sup>		1,000	09/19/1997	10/19/2006	Common Stock	1,000
Common Stock Units	\$ 0 <sup>(7)</sup>	06/15/2005		J <sup>(8)</sup>		76	<sup>(8)</sup>	<sup>(8)</sup>	Common Stock	76

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WATERS FRANK L			Vice President	

## Signatures

Jami K. Suver,  
Attorney-in-Fact

06/17/2005

\_\_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) 25 of these shares are held in Ashland's Open Enrollment Dividend Reinvestment and Stock Purchase Plan as of 6-15-05.

(2) Based on Employee Savings Plan information as of 6-15-05, the latest date for which such information is reasonably available.

(3) Shares accrued under Ashland's Leveraged Employee Stock Ownership Plan as of 6-15-05.

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

(5) Employee stock option (represents a right to buy Ashland Common Stock) granted pursuant to Ashland's 1997 Stock Incentive Plan which 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.

(6) Employee stock option (represents a right to buy Ashland Common Stock) granted pursuant to Ashland's 1993 Stock Incentive Plan which 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.

(7) 1-for-1

(8) Common Stock Units acquired pursuant to Ashland's Deferred Compensation Plan as of 6-15-05, and exempt under Rule 16b-3(d). (One (1) Common Stock Unit in the Deferred Compensation Plan is the equivalent of one (1) share of Ashland Common Stock.)

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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