

ASHLAND INC.

Form 4

September 19, 2006

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

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

OMB APPROVAL

OMB
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(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)
09/15/2006

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 Indirect Beneficial Ownership (Instr. 4)
Common Stock				(A) or (D)	6,248 ⁽¹⁾	D	
Restricted Stock					1,000 ⁽²⁾	D	

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

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information contained in this form are not
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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 Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)
				Code	V	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
					(A)	(D)				
Common Stock Units	\$ 0 <u>(3)</u>	09/15/2006		J <u>(4)</u>	57	<u>(4)</u>	<u>(4)</u>	Common Stock	57	\$ 63.38

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

David B. Mattingly,
Attorney-in-Fact

****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).

(3) 1-for-1

(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.

(4) Common Stock Units acquired pursuant to Ashland's Deferred Compensation Plan for Non-Employee Directors as of 9-15-06, payable in cash or stock upon termination of service and exempt under Rule 16b-3. (One (1) Common Stock Unit in the Deferred Compensation Plan for Non-Employee Directors is the equivalent of one (1) share of Ashland Common Stock.)

(1) 248 of these shares are held in Ashland's Open Enrollment Dividend Reinvestment and Stock Purchase Plan as of 9-15-06.

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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