

ASHLAND INC.  
Form 4  
July 19, 2007

**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 \*  
ESLER SUSAN B

(Last) (First) (Middle)  
50 E. RIVERCENTER BOULEVARD  
(Street)

COVINGTON, KY 41012-0391

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
07/17/2007

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)  
Vice President

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 Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	07/17/2007		A <sup>(1)</sup>	1,050 A \$ 0	2,537	D	
Common Stock	07/17/2007		F <sup>(2)</sup>	489 D \$ 65.12	2,048	D	
Restricted Stock	07/17/2007		J <sup>(3)</sup>	1,050 D \$ 0	900	D	
Common Stock					3 <sup>(4)</sup>	I	401(K)

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. Price of Derivative Security (Instr. 5)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
						Code	V	(A)	(D)	
Common Stock Units	\$ 0	07/17/2007		J <sup>(5)</sup>	118	<sup>(5)</sup>	<sup>(5)</sup>	Common Stock	118	\$ 65.1

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ESLER SUSAN B 50 E. RIVERCENTER BOULEVARD COVINGTON, KY 41012-0391			Vice President	

## Signatures

David B. Mattingly,  
Attorney-in-Fact

07/19/2007

\*\*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).

- (5) Payment of tax liability by withholding incident to the receipt of the vesting of Common Stock Units acquired pursuant to Ashland's Stock Incentive Plan as of 7/17/07, and exempt under Rule 16b-3(e). (One (1) Common Stock Unit in the Deferred Compensation Plan is the equivalent of one (1) share of Ashland Common Stock.)
- (2) Payment of tax liability by withholding incident to the receipt of the vesting of 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.
- (3) Reflects the lapsing of restrictions on Restricted Common Stock acquired pursuant to Ashland's stock incentive plans as approved by the shareholders and exempt pursuant to Rule 16b-3.

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- (4) Based on Employee Savings Plan information as of 7-17-07, the latest date for which such information is reasonably available.
- (1) Common Stock acquired pursuant to the lapsing of the restrictions on Restricted Common Stock acquired pursuant to Ashland's Stock Incentive Plans as approved by the shareholders and exempt pursuant to Rule 16b-3.

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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