

ASHLAND INC.  
Form 4  
July 19, 2007

**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

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  | (A) or (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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474  
(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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|
| 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<br>50 E. RIVERCENTER BOULEVARD<br>COVINGTON, KY 41012-0391 |               |           | Vice<br>President |       |

## Signatures

David B. Mattingly,  
Attorney-in-Fact  
Date: 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.

## Edgar Filing: ASHLAND INC. - Form 4

- (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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.