CAPPELINE GARY A

Form 4

January 03, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

5. Relationship of Reporting Person(s) to

January 31, 2005

0.5

Estimated average

burden hours per

OMB APPROVAL

response...

subject to Section 16. Form 4 or Form 5 obligations may continue.

See Instruction

Check this box

if no longer

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

2. Issuer Name and Ticker or Trading

1(b).

Stock

(Print or Type Responses)

1. Name and Address of Reporting Person *

CAPPELINE GARY A		Symbol					U	Issuer				
			ASHLA	ASHLAND INC. [ASH]						(Check all applicable)		
(Last)	(First)	(Middle)	3. Date of	Earliest 7	Trai	nsaction			`	**		
			(Month/D	ay/Year)					Director	10%	Owner	
5200 BLAZER PARKWAY			12/29/2	12/29/2005					_X_ Officer (give title Other (specify			
									below)	below) or Vice Presiden	ıt	
									~			
				4. If Amendment, Date Original					6. Individual or Joint/Group Filing(Check			
			Filed(Mor	nth/Day/Ye	ear)				Applicable Line)	O D (D		
DIDINI	NII 42017								_X_ Form filed by I			
DUBLIN, C	OH 4301/								Person			
(City)	(State)	(Zip)	Tabl	e I - Non-	-De	rivative	Secur	ities Acq	uired, Disposed o	f, or Beneficial	ly Owned	
1.Title of	2. Transaction D	Date 2A. De	emed	3.	4	4. Securit	ties A	cquired	5. Amount of	6. Ownership	7. Nature of	
Security	(Month/Day/Ye	ar) Executi	ion Date, if			(A) or Di	•		Securities	Form: Direct		
(Instr. 3)		any	m	Code		(Instr. 3,	4 and	5)	Beneficially	(D) or	Beneficial	
		(Month	/Day/Year)	(Instr. 8))				Owned Following	Indirect (I) (Instr. 4)	Ownership (Instr. 4)	
									Reported	(IIISII. 4)	(111801.4)	
							(A)		Transaction(s)			
				Code \	V	A manust	or (D)	Price	(Instr. 3 and 4)			
Common				Code	ν.	Amount	(D)	\$				
Common	12/29/2005			M	4	4,600	A	28.04	4,600	D		
Stock								28.04				
Common	12/29/2005			S(1)		4 600	D	\$ 59	0	D		
Stock	12/29/2003			3 <u>(-)</u>	-	4,600	D	\$ 39	0	D		
Common												
Common									1 844 (2)	T	401 (K)	

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

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1,844 (2)

401 (K)

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number.

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. 5. Number Transaction Derivative Code Securities (Instr. 8) 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)		
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to buy)	\$ 28.04	12/29/2005		M(3)		4,600	09/18/2004	09/18/2013	Common Stock	4,600

Reporting Owners

Reporting Owner Name / Address	Relationships
Reporting Owner Name / Address	

Director 10% Owner Officer Other

CAPPELINE GARY A 5200 BLAZER PARKWAY DUBLIN, OH 43017

Senior Vice President

Signatures

David B. Mattingly, Attorney-in-Fact

01/03/2006

**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) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on November 15, 2005.
- Employee stock option (represents a right to buy Ashland Common Stock) granted pursuant to Ashland's Amended Stock Incentive Plan (3) 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.
- (2) Based on Employee Savings Plan information as of 12-27-05, the latest date for which such information is reasonably available.

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.

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