SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): July 22, 2003

ASHLAND INC.
(Exact name of registrant as specified in its charter)

Kentucky
(State or other jurisdiction of incorporation)

1-2918	61-0122250
(Commission File Number)	(I.R.S. Employer Identification No.)

50 E. RiverCenter Boulevard, Covington, Kentucky	41012-0391
(Address of principal executive offices)	(Zip Code)
P.O. Box 391, Covington, Kentucky	41012-0391
(Mailing Address)	(Zip Code)

Registrant's telephone number, including area code (859) 815-3333

Item 7. Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release dated July 22, 2003

Item 9. Regulation FD Disclosure

(Information Furnished Under Item 12 -
Results of Operations and Financial Condition)

On July 22, 2003, Ashland Inc. reported its fiscal 2003 third quarter results, which are discussed in more detail in the press release attached hereto as Exhibit 99.1. The information, furnished under "Item 9. Regulation FD Disclosure," is intended to be furnished under "Item 12. Results of Operations and Financial Condition," in accordance with Securities and Exchange Commission Release No. 33-8216.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASHLAND INC.
(Registrant)

Date: July 22, 2003

/s/ J. Marvin Quin

Name: J. Marvin Quin
Title: Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

99.1	Press Release dated July 22, 2003

Exhibit 99.1

FOR FURTHER INFORMATION:

Media Relations: Margaret Thomson (859) 815-3039 mrthomson@ashland.com

Investor Relations: Bill Henderson (859) 815-4454 wehenderson@ashland.com

FOR IMMEDIATE RELEASE
July 22, 2003

ASHLAND INC. REPORTS JUNE QUARTER EARNINGS

Covington, Ky. - The following was issued today by Ashland Inc. (NYSE:ASH):

FISCAL 2003: THIRD QUARTER HIGHLIGHTS

- Refining and marketing results improved despite high crude prices and weak economy
- Ashland Distribution recovery continues
- APAC results down, reflecting continued above-normal precipitation levels
- Ashland Specialty Chemical results off due to weak demand and plant write-down
- Valvoline performing well

In millions except earnings per share	Quarter ended June 30 2003	Quarter ended June 30 2002	Nine months ended June 30 2003	Nine months ended June 30 2002
Operating income	$ 138	$ 132	$ 147	$ 225
Income from continuing operations	$ 71	$ 61	$ 33	$ 75
Net income (loss)	$ 70	$ 65	$ (61)	$ 70
Diluted earnings (loss) per share:				
Income from continuing operations	$ 1.03	$ .87	$ .48	$ 1.06
Net income (loss)	$ 1.01	$ .93	$ (.89)	$ 1.00

Ashland Inc. today reported net income of $70 million, or $1.01 a share, for the quarter ended June 30, the third quarter of the company's 2003 fiscal year. These results compared to net income of $65 million, or 93 cents a share, for the June 2002 quarter. Ashland's income from continuing operations for the June 2003 quarter amounted to $71 million, or $1.03 a share, compared to $61 million, or 87 cents a share, for the quarter a year ago. A loss of $1 million from discontinued operations for the quarter just ended included the results of the

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Electronic Chemicals business group and an after-tax charge of $5 million for future asbestos liabilities less probable insurance recoveries. As previously announced, quarterly charges are being recognized to maintain asbestos reserves at a level adequate to cover estimated future payments over a rolling 10-year period.

"The June quarter was very challenging," O'Brien said. "We continued to struggle with high energy costs, a sluggish economy, and poor weather conditions. However, we're doing the work now that will set the course for a successful future. There's a lot of change occurring at Ashland, and I believe it's only a matter of time before we start seeing solid results."

For the nine months ended June 30, 2003, Ashland reported a net loss of $61 million, or 89 cents a share, compared to net income of $70 million, or $1.00 a share for the same period last year. Ashland's income from continuing operations for the 2003 period totaled $33 million, or 48 cents a share, which compared to $75 million, or $1.06 a share, for the 2002 period. An after-tax charge of $104 million associated with estimated future asbestos liabilities less probable insurance recoveries, is reflected in discontinued operations for the 2003 period, along with the results of the Electronic Chemicals business group, which Ashland has agreed to sell to Air Products for approximately $300 million.

REVIEW OF OPERATIONS

Commenting on operations, O'Brien noted that results from refining and marketing improved significantly over the previous year. Operating income totaled $100 million, compared to $66 million in the June 2002 quarter. Demand for petroleum products was soft in the quarter due to high crude oil prices and a weak industrial economy. However, MAP refineries operated well, and refining margins improved over last year.

Operating income from APAC was $17 million, compared to $42 million in last year's June quarter. APAC continues to suffer from adverse weather that has significantly hampered construction activity. Twelve of the 14 states in APAC's operating area experienced much higher than normal rainfall for the quarter, continuing the pattern that has persisted throughout this fiscal year. Construction backlog, which consists of work awarded and funded but not yet performed, continues to grow and was at a record high for the June quarter of $1.8 billion.

APAC also has completed its strategic reorganization, reducing the number of operating units to 24 from 38 and decreasing field overhead expenses by approximately $8 million per

-more-year. Additionally, financial shared services were implemented for four more operating units during the quarter, bringing to 11 the total number sharing financial services. This centralization of resources, resulting from the Project PASS business redesign effort, advances APAC's competitive position as a low-cost, operationally efficient organization.

Results from Ashland Distribution improved, with much stronger earnings compared to the previous year. Operating income for the June quarter was $11 million compared to $3 million in the 2002 quarter. Ashland Distribution continues to revitalize its business and to improve service to customers by aggressively implementing quality initiatives. As a result, unit sales volumes have increased 5 percent for the first nine months of the fiscal year, while revenues are up 11 percent for the same period.

Operating income for Ashland Specialty Chemical was $3 million in the June quarter and included an impairment charge of $10 million for a mothballed maleic anhydride production facility in Neville Island, Pa. These results compared to operating income of $20 million in the 2002 quarter. Demand for durable goods dipped by a combined 2.7 percent in April and May, adversely affecting sales volumes; however, volumes improved in June. In addition, Ashland Specialty Chemical's margins improved in June as previously announced price increases took effect. This trend should benefit profits going into the September quarter.

Commenting on the announced sale of Ashland Specialty Chemical's electronic chemicals business group to Air Products, O'Brien noted that this divestiture is an example of Ashland's strategic repositioning. "While this business is an excellent competitor, the semiconductor industry is not one of our major core markets. Consequently, we decided to monetize this asset and redeploy the proceeds elsewhere, in this case to strengthen our balance sheet." The Electronic Chemicals business has annual sales revenues of approximately $200 million. On July 16, Honeywell International filed suit in a Delaware state court seeking to enjoin this transaction. Honeywell claims the transaction would violate the strategic alliance agreement between Air Products and GEM Microelectronic Materials, a joint venture of Honeywell and Texas Ultrapure Inc. Ashland will join Air Products in contesting this action and expects the divestiture to be completed.

Valvoline continues to perform well. Operating income of $24 million in the June quarter nearly equaled the $25 million of a year ago. Although overall sales volumes declined,

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Valvoline increased share in a very soft market. Premium product sales volumes increased 7 percent. Valvoline Instant Oil Change had a record June quarter, due in part to a 20 percent increase in non-oil change revenues. In addition, results from Valvoline International improved due to better volumes in key markets and strengthening foreign currencies.

"Looking ahead, our goal is to be a top quartile performer versus our peers, and we are doing the work that will set the course for our continued, long-term success," O'Brien said. "We are focused on furthering the profitability plan I announced last October. We are becoming more operationally efficient, more strategically focused and more financially disciplined. The eventual result will be a much stronger company that better serves our owners and our customers."

Today at 10:00 a.m. (EDT), Ashland will provide a live audio webcast of its quarterly conference call with securities analysts. The webcast will be accessible through Ashland's Investor Relations website, www.ashland.com/investors. Following the live event, an archived version of the webcast will be available on the Ashland website for 12 months. Minimum requirements to listen to the webcast include the free Windows MediaPlayer software and a 28.8 Kbps connection to the Internet.

Ashland Inc. (NYSE:ASH) is a Fortune 500 company providing products, services, and customer solutions throughout the world. Our businesses include road construction, specialty chemicals, lubricants, car-care products, chemical and plastics distribution and transportation fuels. Through the dedication of our employees, we are "The Who In How Things Work(TM)." Find us at www.ashland.com.

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This news release contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, with respect to Ashland's operating performance, earnings, and scope and effect of asbestos liabilities. These estimates are based upon a number of assumptions, including those mentioned within this news release. Such estimates are also based upon internal forecasts and analyses of current and future market conditions and trends, management plans and strategies, weather, operating efficiencies and economic conditions, such as prices, supply and demand, cost of raw materials, and legal proceedings and claims (including environmental and asbestos matters). Although Ashland believes its expectations are based on reasonable assumptions, it cannot assure the expectations reflected herein will be achieved. This forward-looking information may prove to be inaccurate and actual results may differ significantly from those anticipated if one or more of the underlying assumptions or expectations proves to be inaccurate or is unrealized or if other unexpected conditions or events occur. Other factors and risks affecting Ashland are contained in Ashland's Form 10-K for the fiscal year ended Sept. 30, 2002, as amended. Ashland undertakes no obligation to subsequently update or revise the forward-looking statements made in this news release to reflect events or circumstances after the date of this release.

Ashland Inc. and Consolidated Subsidiaries
STATEMENTS OF CONSOLIDATED INCOME
(In millions except per share data - unaudited)

	Three months ended June 30		Nine months ended June 30	
	2003	2002	2003	2002
REVENUES				
Sales and operating revenues	$ 2,006	$ 1,997	$ 5,388	$ 5,315
Equity income	104	80	169	141
Other income	15	7	43	35
	2,125	2,084	5,600	5,491
COSTS AND EXPENSES				
Cost of sales and operating expenses	1,648	1,602	4,430	4,285
Selling, general and administrative expenses	290	298	870	828
Depreciation, depletion and amortization	49	52	153	153
	1,987	1,952	5,453	5,266
OPERATING INCOME	138	132	147	225
Net interest and other financial costs	(31)	(33)	(97)	(103)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	107	99	50	122
Income taxes	(36)	(38)	(17)	(47)
INCOME FROM CONTINUING OPERATIONS	71	61	33	75
Results from discontinued operations (net of income taxes)	(1)	4	(94)	7
INCOME (LOSS) BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	70	65	(61)	82
Cumulative effect of accounting change (net of income taxes)	-	-	-	(12)
NET INCOME (LOSS)	$ 70	$ 65	$ (61)	$ 70
DILUTED EARNINGS (LOSS) PER SHARE				
Income from continuing operations	$ 1.03	$ .87	$ .48	$ 1.06
Results from discontinued operations	(.02)	.06	(1.37)	.10
Cumulative effect of accounting change	-	-	-	(.16)
Net income (loss)	$ 1.01	$ .93	$ (.89)	$ 1.00
AVERAGE COMMON SHARES AND ASSUMED CONVERSIONS	69	70	69	70
SALES AND OPERATING REVENUES				
APAC	$ 683	$ 756	$ 1,615	$ 1,861
Ashland Distribution	733	670	2,081	1,875
Ashland Specialty Chemical	308	290	870	809
Valvoline	307	305	889	833
Intersegment sales	(25)	(24)	(67)	(63)
	$ 2,006	$ 1,997	$ 5,388	$ 5,315
OPERATING INCOME				
APAC	$ 17	$ 42	$ (39)	$ 64
Ashland Distribution	11	3	27	8
Ashland Specialty Chemical	3	20	21	50
Valvoline	24	25	56	53
Refining and Marketing (a)	100	66	145	111
Corporate	(17)	(24)	(63)	(61)
	$ 138	$ 132	$ 147	$ 225

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(a) Includes Ashland's equity income from Marathon Ashland Petroluem LLC (MAP), amortization related to Ashland's excess investment in MAP, and other activities associated with refining and marketing.

Ashland Inc. and Consolidated Subsidiaries
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions - unaudited)

	June 30	
	2003	2002
ASSETS		
Current assets		
Cash and cash equivalents	$ 112	$ 101
Accounts receivable	1,045	1,053
Inventories	512	469
Deferred income taxes	98	130
Current assets of discontinued operations held for sale	198	60
Other current assets	186	128
	2,151	1,941
Investments and other assets		
Investment in Marathon Ashland Petroleum LLC (MAP)	2,401	2,406
Goodwill	519	507
Asbestos insurance receivable (noncurrent portion)	398	168
Noncurrent assets of discontinued operations held for sale	-	146
Other noncurrent assets	345	380
	3,663	3,607
Property, plant and equipment		
Cost	2,949	2,912
Accumulated depreciation, depletion and amortization	(1,725)	(1,603)
	1,224	1,309
	$ 7,038	$ 6,857
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Debt due within one year	$ 296	$ 302
Trade and other payables	1,235	1,225
Current liabilities of discontinued operations held for sale	28	23
Income taxes	16	53
	1,575	1,603
Noncurrent liabilities		
Long-term debt (less current portion)	1,564	1,600
Employee benefit obligations	493	400
Deferred income taxes	201	271
Reserves of captive insurance companies	184	182
Asbestos litigation reserve (noncurrent portion)	535	148
Noncurrent liabilities of discontinued operations held for sale	-	13
Other long-term liabilities and deferred credits	346	378
	3,323	2,992
Common stockholders' equity	2,140	2,262
	$ 7,038	$ 6,857

Ashland Inc. and Consolidated Subsidiaries
STATEMENTS OF CONSOLIDATED CASH FLOWS
(In millions - unaudited)

	Nine months ended June 30 2003	Nine months ended June 30 2002
CASH FLOWS FROM OPERATIONS		
Income from continuing operations	$ 33	$ 75
Expense (income) not affecting cash		
Depreciation, depletion and amortization (a)	153	153
Deferred income taxes	43	(104)
Equity income from affiliates	(169)	(141)
Distributions from equity affiliates	114	120
Other items	(1)	-
Change in operating assets and liabilities (b)	(62)	(96)
	111	7
CASH FLOWS FROM FINANCING		
Proceeds from issuance of common stock	1	11
Repayment of long-term debt	(191)	(58)
Repurchase of common stock	-	(11)
Increase in short-term debt	243	85
Dividends paid	(56)	(57)
	(3)	(30)
CASH FLOWS FROM INVESTMENT		
Additions to property, plant and equipment (a)	(84)	(130)
Purchase of operations - net of cash acquired	(5)	(12)
Proceeds from sale of operations	5	-
Other - net	(6)	1
	(90)	(141)
CASH PROVIDED (USED) BY CONTINUING OPERATIONS	18	(164)
Cash provided by discontinued operations	4	29
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 22	$ (135)
DEPRECIATION, DEPLETION AND AMORTIZATION		
APAC	$ 82	$ 83
Ashland Distribution	15	16
Ashland Specialty Chemical	30	28
Valvoline	19	18
Corporate	7	8
	$ 153	$ 153
ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT		
APAC	$ 39	$ 86
Ashland Distribution	3	9
Ashland Specialty Chemical	22	16
Valvoline	12	13
Corporate	8	6
	$ 84	$ 130

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(a) Excludes amounts related to equity affiliates. Ashland's 38 percent share of MAP's DD&A was $104 million in 2003 and $103 million in 2002, and its share of MAP's capital expenditures was $224 million in 2003 and $154 million in 2002.

(b) Excludes changes resulting from operations acquired or sold.

Ashland Inc. and Consolidated Subsidiaries
OPERATING INFORMATION BY INDUSTRY SEGMENT
(Unaudited)

	Three months ended June 30		Nine months ended June 30	
	2003	2002	2003	2002
APAC				
Construction backlog at June 30 (millions) (a)			$ 1,824	$ 1,797
Hot-mix asphalt production (million tons)	9.8	11.4	21.0	25.3
Aggregate production (million tons)	8.1	8.5	20.5	22.2
Ready-mix concrete production (million cubic yards)	0.6	0.6	1.5	1.5
ASHLAND DISTRIBUTION (b)				
Sales per shipping day (millions)	$ 11.6	$ 10.5	$ 11.1	$ 10.0
Gross profit as a percent of sales	15.1%	15.6%	15.3%	16.3%
ASHLAND SPECIALTY CHEMICAL (b)				
Sales per shipping day (millions)	$ 4.9	$ 4.5	$ 4.6	$ 4.3
Gross profit as a percent of sales	33.1%	38.0%	33.8%	37.2%
VALVOLINE				
Lubricant sales (million gallons)	49.2	53.7	142.2	145.5
Premium lubricants (percent of U.S. branded volumes)	19.8%	17.2%	18.5%	15.7%
REFINING AND MARKETING (c)				
Refinery runs (thousand barrels per day)				
Crude oil refined	951	973	878	930
Other charge and blend stocks	129	134	130	156
Refined product yields (thousand barrels per day)				
Gasoline	582	598	544	602
Distillates	292	308	276	298
Asphalt	76	77	69	71
Other	138	131	123	122
Total	1,088	1,114	1,012	1,093
Refined product sales (thousand barrels per day) (d)	1,346	1,351	1,311	1,299
Refining and wholesale marketing margin (per barrel) (e)	$ 2.94	$ 2.18	$ 2.21	$ 1.89
Speedway SuperAmerica (SSA)				
Retail outlets at June 30			1,802	2,081
Gasoline and distillate sales (million gallons)	882	911	2,608	2,679
Gross margin - gasoline and distillates (per gallon)	$ .1229	$ .1116	$ .1134	$ .1032
Merchandise sales (millions) (f)	$ 590	$ 612	$ 1,695	$ 1,736
Merchandise margin (as a percent of sales)	23.9%	25.5%	24.4%	24.5%

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(a) Includes APAC's proportionate share of the backlog of unconsolidated joint ventures.

(b) Sales are defined as sales and operating revenues. Gross profit is defined as sales and operating revenues, less cost of sales and operating expenses, and depreciation and amortization relative to manufacturing assets.

(c) Amounts represent 100% of MAP's operations, in which Ashland owns a 38% interest.

(d) Total average daily volume of all refined product sales to MAP's wholesale, branded and retail (SSA) customers.

(e) Sales revenue less cost of refinery inputs, purchased products and manufacturing expenses, including depreciation.

(f) Effective January 1, 2003, SSA adopted EITF 02-16, "Accounting by a Customer (Including a Reseller) for Certain Consideration Received from a Vendor," which requires rebates from vendors to be recorded as reductions to cost of sales. Rebates from vendors recorded in SSA merchandise sales for periods prior to January 1, 2003 have not been restated and included $38 million in the three months ended June 30, 2002; $46 million in the nine months ended June 30, 2003; and $129 million in the nine months ended June 30, 2002.