

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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| | | |
|--|---|---|
| 1. Name and Address of Reporting Person* <u>WATERS FRANK L</u> (Last) (First) (Middle) <u>5200 BLAZER PARKWAY</u> (Street) <u>DUBLIN OH 43017</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>ASHLAND INC [ASH]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Vice President</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>12/15/2004</u> | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | |
| | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | | | | | | | | 152 ⁽¹⁾ | D | |
| Common Stock | | | | | | | | 1,739 ⁽²⁾ | I | 401(k) |
| Common Stock | | | | | | | | 670 ⁽³⁾ | I | LESOP |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|-------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | | Title |
| Common Stock Units | \$0 ⁽⁴⁾ | 12/15/2004 | | J ⁽⁵⁾ | | 92 | | (5) | (5) | Common Stock | 92 | \$58.23 | 25,472 | D | |

Explanation of Responses:

- 23 of these shares are held in Ashland's Open Enrollment Dividend Reinvestment and Stock Purchase Plan as of 9-15-04.
- Based on Employee Savings Plan information as of 12-14-04, the latest date for which such information is reasonably available.
- Shares accrued under Ashland's Leveraged Employee Stock Ownership Plan as of 11-30-04.
- 1-for-1
- Common Stock Units acquired pursuant to Ashland's 1995 Deferred Compensation Plan as of 12-15-04, and exempt under Rule 16b-3(d). (One (1) Common Stock Unit in the 1995 Deferred Compensation Plan is the equivalent of one (1) share of Ashland Common Stock)

M. Craig Hall

12/16/2004

** Signature of Reporting Person

Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.