

CAPPELINE GARY A

Form 4

December 28, 2005

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
CAPPELINE GARY A

(Last) (First) (Middle)

5200 BLAZER PARKWAY

(Street)

DUBLIN, OH 43017

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/27/2005

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title below) \_\_\_\_ Other (specify below)

Senior Vice President

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_X\_\_\_\_ 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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------|
| Common<br>Stock                       | 12/27/2005                              |                                                             | M                                    | 9,096 A                                                                 | \$ 22.99 9,096                                                                                                     | D                                                                    |                                         |
| Common<br>Stock                       | 12/27/2005                              |                                                             | M                                    | 8,193 A                                                                 | \$ 28.04 17,289                                                                                                    | D                                                                    |                                         |
| Common<br>Stock                       | 12/27/2005                              |                                                             | S <sup>(1)</sup>                     | 8,193 D                                                                 | \$ 59 9,096                                                                                                        | D                                                                    |                                         |
| Common<br>Stock                       | 12/27/2005                              |                                                             | S <sup>(1)</sup>                     | 9,096 D                                                                 | \$ 59 0                                                                                                            | D                                                                    |                                         |
| Common<br>Stock                       |                                         |                                                             |                                      |                                                                         | 1,844 <sup>(2)</sup>                                                                                               | I                                                                    | 401 (K)                                 |

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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<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Amount<br>or<br>Number<br>of<br>Shares |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------|
| Stock<br>Options<br>(Right to<br>buy)               | \$ 22.99                                                           | 12/27/2005                              |                                                             | M <sup>(3)</sup>                     | 9,096                                                                                                           | 01/29/2004 02/28/2013                                          | Common<br>Stock                                                     | 9,096                                     |
| Stock<br>Options<br>(Right to<br>buy)               | \$ 28.04                                                           | 12/27/2005                              |                                                             | M <sup>(3)</sup>                     | 8,193                                                                                                           | 09/18/2004 09/18/2013                                          | Common<br>Stock                                                     | 8,193                                     |

## Reporting Owners

| Reporting Owner Name / Address                              | Relationships                    |
|-------------------------------------------------------------|----------------------------------|
|                                                             | Director 10% Owner Officer Other |
| CAPPELINE GARY A<br>5200 BLAZER PARKWAY<br>DUBLIN, OH 43017 | Senior Vice President            |

## Signatures

David B. Mattingly,  
Attorney-in-Fact 12/28/2005

\*\*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)

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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.

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