

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): August 29, 2003

ASHLAND INC.

(Exact name of registrant as specified in its charter)

Kentucky

(State or other jurisdiction of incorporation)

1-2918

(Commission File Number)

61-0122250

(I.R.S. Employer
Identification No.)

50 E. RiverCenter Boulevard, Covington, Kentucky
(Address of principal executive offices)

41012-0391
(Zip Code)

P.O. Box 391, Covington, Kentucky
(Mailing Address)

41012-0391
(Zip Code)

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

Item 5. Other Events

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On August 29, 2003, Ashland Inc. ("Ashland") announced that it has completed the sale of its Electronic Chemicals business group to Air Products and Chemicals, Inc. in a cash transaction valued at approximately \$300 million. The transaction is expected to produce net cash flow of roughly \$260 million and an after-tax gain in the neighborhood of \$80 million.

The transaction is discussed in more detail in the press release attached hereto as Exhibit 99.1, which is incorporated herein by reference in its entirety.

Item 7. Financial Statements and Exhibits

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(c) Exhibits

99.1 Press Release dated August 29, 2003

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: August 29, 2003

/s/ J. Marvin Quin

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

EXHIBIT INDEX

99.1 Press Release dated August 29, 2003

FOR FURTHER INFORMATION:

| | |
|-----------------------|-------------------------|
| Media Relations | Investor Relations |
| Margaret Thomson | Bill Henderson |
| 859-815-3039 | 859-815-4494 |
| mrthomson@ashland.com | wehenderson@ashland.com |

FOR IMMEDIATE RELEASE
AUGUST 29, 2003

ASHLAND COMPLETES SALE OF
ELECTRONIC CHEMICALS BUSINESS GROUP

Covington, Ky. - Ashland Inc. (NYSE:ASH) said today it has completed the sale of its Electronic Chemicals business group (ECD) to Air Products (NYSE:APD) in a cash transaction valued at approximately \$300 million.

The transaction is expected to produce net cash flow of roughly \$260 million and an after-tax gain in the neighborhood of \$80 million. The gain will be recorded in Ashland's fiscal fourth quarter, which ends September 30.

"The sale is a reflection of our strategic repositioning," said Chairman and Chief Executive Officer James J. O'Brien. "In our ongoing review of assets, we concluded that we could not continue to compete effectively in electronic chemicals without making a major new investment. Yet electronic chemicals was not one of our core businesses. The best decision for our shareholders and for ECD was to sell this business group and put the assets to work elsewhere. In this case, we will use the proceeds to strengthen the balance sheet in pursuit of our goal to reduce debt to 35 percent of total capital."

Ashland Inc. 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.