

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: September 15, 1995

Date of earliest event reported: September 14, 1995

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.)

1000 Ashland Drive, Russell, Kentucky
(Address of principal executive offices)

41169
(Zip Code)

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

41114
(Zip Code)

Registrant's telephone number, including area code (606) 329-3333

Total of 6 Pages

Item 5. Other Events

On September 14, 1995, the Registrant issued a press release announcing that it will adopt a new accounting standard, Financial Accounting Standards (FAS) Board Statement No. 121, "Accounting For The Improvement of Long-Lived Assets" which will result in a non-recurring charge against earnings of approximately \$90 million in the September quarter. The Registrant also announced it will take a charge against earnings of approximately \$40 million in the September quarter for Ashland Petroleum Company's early retirement program and unrelated reorganization costs for Valvoline and Arch Mineral. The early retirement program and the then estimated costs were announced in a Form 8-K filed on May 10, 1995. Combined, the Registrant will take a one-time pre-tax charge of approximately \$130 million against its fourth quarter earnings. The after-tax impact is expected to reduce earnings by about \$1.25 per share.

The foregoing summary of the attached press release is qualified in its entirety by the complete text of such document, a copy of which is attached hereto.

Item 7. Financial Statements and Exhibits

(c) Exhibits

(99) Press Release

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: September 15, 1995

/s/ Thomas L. Feazell

Name: Thomas L. Feazell
Title: Senior Vice President,
General Counsel and Secretary

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[Ashland Logo]

NEWS FROM ASHLAND

FOR FURTHER INFORMATION:

Stan Lampe
(606) 329-4061

FOR IMMEDIATE RELEASE
September 14, 1995

ASHLAND INC. TO TAKE CHARGE
FOR FAS 121 AND RESTRUCTURING

Ashland, Ky. - Paul W. Chellgren, Ashland Inc. president and chief operating officer, announced today that the company will adopt a new accounting standard, Financial Accounting Standards (FAS) Board Statement No. 121, "Accounting For The Impairment Of Long-Lived Assets," earlier than its required deadline of Oct. 1, 1996. Based on this new accounting statement, Ashland is reducing the value of certain properties in its petroleum, exploration and chemical companies, among others, by taking an approximately \$90 million non-recurring charge in the September 1995 quarter.

In addition, the company has revised its estimate of a previously announced charge against earnings for Ashland Petroleum's early retirement program seeking elimination of 250 positions. When first announced on May 10, the pre-tax charge against earnings was expected to be in the range of \$25 million. On Aug. 1, a final total of 321 employees accepted the enhanced retirement package. Based on this large number, plus \$5 million in unrelated reorganization costs announced for Valvoline and Arch Mineral, a pre-tax charge of \$40 million will be taken.

Combined, Ashland Inc. will take a one-time pre-tax charge of approximately \$130 million against its fourth quarter earnings, which are scheduled to be released October 23. The after-tax impact is expected to reduce earnings by about \$1.25 per share.

Chellgren also said that the company anticipates consolidated reported results to be somewhat better than break even for the fiscal year, after the non-recurring charges. He made these announcements today at the Lehman Brothers Energy Conference in New York.

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Chellgren told the financial analysts that fiscal year 1995 was a good year from the perspective of long-term value creation. "Our list of accomplishments is by no means immaterial. Among the most significant are the completion of 17 acquisitions at a total investment of about \$380 million and a 38 percent increase in capital employed in our energy and chemical businesses," he stated.

"Looking toward the future, the refining business seems to be in balance," Chellgren said. "A number of our other business units are larger and stronger. We have a number of problems behind us. And the outlook for the U.S. and world economies appears to be positive. Thus, we are approaching the new fiscal year with confidence and cautious optimism."

Ashland Inc. is a large energy and chemical company engaged in petroleum refining and marketing; coal; highway construction; and oil and gas exploration and production. Ashland Chemical is the largest distributor of chemicals and plastics in North America and a leading supplier of specialty chemicals worldwide. Ashland's major consumer brands include Valvoline -R- motor oils, Zerex -R- antifreeze and Pyroil -R- Performance Products automotive chemicals. As one of the largest independent refiners in the nation, Ashland is also a leading regional gasoline marketer, with products marketed under the SuperAmerica -R- and Ashland -R- brand names.

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