

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): December 29, 2004

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events

Ashland Inc. ("Ashland") announced today that Ashland Composite Polymers, a business group of Ashland Specialty Chemical, a division of Ashland, has completed its purchase of the DERAKANE* epoxy vinyl ester resin business (which includes the DERAKANE MOMENTUM* product line) from The Dow Chemical Company in a cash transaction valued at approximately \$90 million. Details of the transaction are included in the attached press release, which is attached hereto as Exhibit 99.1.

* Trademark of The Dow Chemical Company

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release dated December 29, 2004

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: December 29, 2004

/s/ J. Marvin Quin

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

EXHIBIT INDEX

99.1 Press Release dated December 29, 2004

News Release

FOR ADDITIONAL INFORMATION:

FOR ADDITIONAL INFORMATION:

Jim Vitak, Ashland Inc.
 (614) 790-3715
 jevitak@ashland.com

FOR IMMEDIATE RELEASE:
 December 29, 2004

ASHLAND COMPLETES PURCHASE OF DERAKANE
 EPOXY VINYL ESTER RESIN BUSINESS FROM DOW

DUBLIN, Ohio (USA) - Ashland Composite Polymers, a business group of Ashland Specialty Chemical, a division of Ashland Inc. (NYSE: ASH), has completed its purchase of the DERAKANE(R) epoxy vinyl ester resin business (which includes the DERAKANE MOMENTUM* product line) from The Dow Chemical Company (NYSE: DOW). The purchase includes all technology and intellectual property assets associated with the DERAKANE resin business. No physical assets will transfer to Ashland.

The cash transaction is valued at approximately \$90 million (USD). Annual sales of DERAKANE resins are approximately \$70 million (USD).

"This important addition to our thermoset resins portfolio expands Ashland's leadership in providing integrated systems and technology solutions with superior value to our customers," said Theodore "Ted" L. Harris, vice president, Ashland Specialty Chemical, and general manager, Composite Polymers. "We are committed to working with DERAKANE customers to ensure a smooth transition."

DERAKANE and DERAKANE MOMENTUM resin products and technologies offer proven performance for use in fiber-reinforced plastics (FRP) applications requiring outstanding corrosion resistance and structural strength. They add increased breadth to Ashland's already broad product line of gel coats, low profile additives and polyester and vinyl ester resins. For more information, visit www.derakane.com.

- more -

ASHLAND COMPLETES PURCHASE OF DERAKANE EPOXY VINYL ESTER RESIN BUSINESS -2
 About Ashland

Ashland Composite Polymers, a business group of Ashland Specialty Chemical, is a leader in supplying products, processes and technologies to the global marketplace in composites and gel coats.

Ashland Specialty Chemical, a division of Ashland Inc., is a leading, worldwide supplier of specialty chemicals serving industries including adhesives, automotive, composites, metal casting, merchant marine, paint, paper, plastics, watercraft and water treatment. Visit www.ashspec.com to learn more about these operations.

Ashland Inc. (NYSE: ASH) is a Fortune 500 transportation construction, chemicals and petroleum company providing products, services and customer solutions throughout the world. Find us at www.ashland.com.

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(R) Registered trademark, Ashland Inc.

* Trademark, Ashland Inc.