



July 21, 2005

Ashland Inc. Board Authorizes Stock Repurchase Program and Declares Regular Quarterly Dividend

COVINGTON, Ky., July 21 /PRNewswire-FirstCall/ -- Ashland Inc. (NYSE: ASH) announced today that its board of directors in separate actions authorized the purchase of its common shares in an amount up to \$270 million and declared the regular quarterly dividend of 27.5 cents per common share on the company's stock, equivalent to an annual dividend of \$1.10 per share.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20040113/ASHLANDLOGO>)

The stock repurchase program is designed to purchase shares from time to time in the open market in compliance with contractual, IRS and other applicable restrictions.

"This share repurchase decision by the board clearly demonstrates our commitment to deliver value to our shareholders," said James J. O'Brien, Ashland's chairman and chief executive officer.

The regular dividend will be payable on September 15, 2005, to shareholders of record at the close of business on August 22, 2005. As of June 30, 2005, there were 74,199,816 shares outstanding.

Ashland Inc. (NYSE: ASH) is a Fortune 500 chemical and transportation construction company providing products, services and customer solutions throughout the world. To learn more about Ashland, visit www.ashland.com.

SOURCE Ashland Inc.

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CO: Ashland Inc.

ST: Kentucky

IN: OIL

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Ashland's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.