UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-Q

(Mark One)

[x] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Quarterly Period Ended October 31, 2001

OR

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____________ to ______________

Commission File Number 0-8675

OIL-DRI CORPORATION OF AMERICA
(Exact name of the registrant as specified in its charter)

DELAWARE	36-2048898
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

410 North Michigan Avenue, Suite 400 CHICAGO, ILLINOIS	60611-4213
(Address of principal executive offices)	(Zip Code)

The Registrant's telephone number, including area code: (312) 321-1515

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for at least the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the close of the period covered by this report.

Common Stock - 5,470,435 Shares (Including 1,279,110 Treasury Shares)
Class B Stock - 1,765,083 Shares (Including 342,241 Treasury Shares)

CONTENTS

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS OF DOLLARS)
(UNAUDITED)

ASSETS	OCTOBER 31 2001	JULY 31 2001
CURRENT ASSETS		
Cash and Cash Equivalents	$ 2,659	$ 4,444
Investment Securities	1,257	1,257
Accounts Receivable, less allowance of $1,563 and $1,858 at October 31 and July 31, 2001, respectively	24,858	24,267
Other Receivables	2,800	2,497
Inventories	16,478	15,445
Prepaid Stripping Expense	3,966	3,797
Prepaid Expenses	4,503	4,035
TOTAL CURRENT ASSETS	56,521	55,742
PROPERTY, PLANT AND EQUIPMENT - AT COST		
Cost	141,129	139,730
Less Accumulated Depreciation and Amortization	(85,759)	(83,694)
TOTAL PROPERTY, PLANT AND Equipment, Net	55,370	56,036
OTHER ASSETS		
Goodwill & Intangibles, net of accumulated amortization of $3,752 and $3,569 at October 31, 2001 and July 31, 2001, respectively	9,515	9,691
Deferred Income Taxes	3,155	3,155
Other	5,899	5,900
TOTAL OTHER ASSETS	18,569	18,746
TOTAL ASSETS	$ 130,460	$ 130,524

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS OF DOLLARS)
(UNAUDITED)

LIABILITIES & STOCKHOLDERS' EQUITY	OCTOBER 31 2001	JULY 31 2001
CURRENT LIABILITIES		
Current Maturities of Notes Payable	$ 2,650	$ 2,150
Accounts Payable	4,422	5,791
Dividends Payable	473	473
Accrued Expenses		
Salaries, wages and commissions	1,862	1,524
Trade promotions and advertising	4,907	4,006
Freight	1,754	1,312
Other	4,582	4,386
TOTAL CURRENT LIABILITIES	20,650	19,642
NONCURRENT LIABILITIES		
Notes Payable	33,250	34,256
Deferred Compensation	2,754	2,769
Other	2,112	2,011
TOTAL NONCURRENT LIABILITIES	38,116	39,036
TOTAL LIABILITIES	58,766	58,678
STOCKHOLDERS' EQUITY		
Common Stock, par value $.10 per share, issued 5,470,435 shares at October 31 and July 31, 2001	547	547
Class B Stock, par value $.10 per share, issued 1,765,083 shares at October 31 and July 31, 2001	177	177
Additional Paid-In Capital	7,667	7,667
Retained Earnings	89,572	89,778
Restricted Unearned Stock Compensation	(20)	(25)
Cumulative Translation Adjustment	(1,425)	(1,474)
	96,518	96,670
Less Treasury Stock, at cost (1,279,110 Common shares and 342,241 Class B shares at October 31, 2001, and at July 31, 2001)	(24,824)	(24,824)
TOTAL STOCKHOLDERS' EQUITY	71,694	71,846
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$130,460	$130,524

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
(IN THOUSANDS, EXCEPT FOR PER SHARE AMOUNTS)
(UNAUDITED)

	FOR THE THREE MONTHS ENDED OCTOBER 31	
	2001	2000
NET SALES	$ 41,638	$ 42,531
Cost Of Sales	32,166	32,199
GROSS PROFIT	9,472	10,332
Selling, General And Administrative Expenses	(8,549)	(8,920)
INCOME FROM OPERATIONS	923	1,412
OTHER INCOME (EXPENSE)		
Interest Expense	(679)	(769)
Interest Income	52	44
Other, Net	77	(105)
TOTAL OTHER EXPENSE, NET	(550)	(830)
INCOME BEFORE INCOME TAXES	373	582
Income Tax	106	149
NET INCOME	267	433
RETAINED EARNINGS		
BALANCE AT BEGINNING OF YEAR	89,778	90,757
LESS CASH DIVIDENDS DECLARED	473	473
RETAINED EARNINGS - OCTOBER 31	$ 89,572	$ 90,717
NET INCOME PER SHARE		
BASIC	$ 0.05	$ 0.08
DILUTIVE	$ 0.05	$ 0.08
AVERAGE SHARES OUTSTANDING		
BASIC	5,614	5,610
DILUTIVE	5,625	5,613

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
STATEMENTS OF CONSOLIDATED INCOME
(IN THOUSANDS OF DOLLARS)
(UNAUDITED)

	For The Three Months Ended October 31	
	2001	2000
NET INCOME	$ 267	$ 433
Other Comprehensive Income:		
Cumulative Translation Adjustments	49	(53)
TOTAL COMPREHENSIVE INCOME	$ 316	$ 380

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS OF DOLLARS)
(UNAUDITED)

	FOR THE THREE MONTHS ENDED OCTOBER 31	
CASH FLOWS FROM OPERATING ACTIVITIES	2001	2000
NET INCOME	$ 267	$ 433
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	2,222	2,262
Provision for Bad Debts	(5)	40
(Increase) Decrease in:		
Accounts Receivable	(585)	(1,180)
Inventories	(1,033)	(584)
Prepaid Stripping	(169)	(379)
Prepaid Expenses and Taxes	(772)	471
Other Assets	(7)	(200)
Increase (Decrease) in:		
Accounts Payable	(1,369)	198
Accrued Expenses	1,885	2,264
Deferred Compensation	(15)	(349)
Other	94	63
TOTAL ADJUSTMENTS	246	2,606
NET CASH PROVIDED BY OPERATING ACTIVITIES	513	3,039
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	(1,352)	(1,559)
Proceeds from Sale of Property, Plant and Equipment	--	5
Purchases of Investment Securities	--	(687)
Dispositions of Investment Securities	--	692
Other	5	4
NET CASH USED IN INVESTING ACTIVITIES	(1,347)	(1,545)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Long-Term Debt	(507)	(7)
Proceeds from Issuance of Long-Term Debt	--	780
Dividends Paid	(473)	(473)
Other	29	(22)
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(951)	278
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,785)	1,772
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,444	1,388
CASH AND CASH EQUIVALENTS, OCTOBER 31	$ 2,659	$ 3,160

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BASIS OF STATEMENT PRESENTATION

The financial statements and the related notes are condensed and should be read in conjunction with the consolidated financial statements and related notes for the year ended July 31, 2001, included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions are eliminated.

The unaudited financial information reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the statements contained herein.

Certain items in prior year financial statements have been reclassified to conform to the presentation used in fiscal 2002.

2. INVENTORIES

The composition of inventories is as follows (in thousands):

	OCTOBER 31 (UNAUDITED) 2001	JULY 31 (AUDITED) 2001
Finished goods	$ 10,428	$ 9,473
Packaging	4,111	4,029
Other	1,939	1,943
	$ 16,478	$ 15,445

Inventories are valued at the lower of cost or market. Cost is determined by the first-in, first-out method.

3. NEW ACCOUNTING STANDARDS AND PRONOUNCEMENTS

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." In June 2000, the FASB issues SFAS No. 138, "Accounting for Derivative Instruments and Certain Hedging Activities an amendment of SFAS No. 133," (SFAS No. 138), which was required to be adopted in years beginning after June 15, 2000. One of the primary amendments to SFAS No. 133 establishes a "normal purchases and normal sales" exception. This exception permits companies to exclude contracts which provide for the purchase or sale of something other than a financial derivative instrument that will be delivered in quantities expected to be used or sold by the entity over a reasonable period of time in the normal course of business operations. The Company has forward purchase contracts for certain natural gas commodities that qualify for the "normal purchase" exception provisions of the amended statement. The adoption of SFAS No. 133 as amended by SFAS No. 138 had no material impact on either the financial position or results of operations.

In September 2000, the Emerging Issues Task Force (EITF) issued EITF 00-10, "Accounting for Shipping and Handling Fees and Costs." Under the provisions of EITF 00-10, amounts billed to a customer in a sales transaction related to shipping and handling should be classified as revenue. Effective May 1, 2001, the Company adopted EITF 00-10, which did not have an effect on the amounts classified as revenue or costs of other services. The adoption had no impact on the determination of net income.

Effective May 1, 2001, the Company adopted Staff Accounting Bulletin No. 101 (SAB 101), "Revenue Recognition in Financial Statements." SAB 101 provides the Securities and Exchange Commission's views in applying accounting principles generally accepted in the United States to revenue recognition in the financial statements. The adoption of SAB 101 did not have an effect on the financial statements of the Company.

In June 2001, the FASB issued SFAS No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Other Intangible Assets", effective for years beginning after December 15, 2001. Under the new rules, goodwill will no longer be amortized, but will be subject to annual impairment tests in accordance with the Statements. Other intangible assets will continue to be amortized over their useful lives. The pooling of interest method is no longer permitted for business combinations after June 30, 2001. Adoption is required for fiscal years beginning after December 15, 2001. Based upon management's preliminary analysis, we do not expect any impairment of goodwill under the new FASB 142. Upon adoption, the Company's amortization expense will be reduced by approximately $202,000 annually.

In April 2001, the EITF reached a final consensus on Issue 00-25, "Accounting for Consideration from a Vendor to a Retailer in Connection with the Purchase or Promotion of the Vendor's Products." The consensus addresses the accounting treatment and income statement classification for certain sales incentives, including cooperative advertising arrangements, buydowns and slotting fees. The consensus requires that slotting fees, now classified by the Company as selling, general and administrative expense, be reclassified as a reduction of gross sales. These guidelines will become effective for the Company during the third quarter of fiscal 2002. The adoption of EITF 00-25 is not expected to materially impact the Company's financial statements.

In 2000, the EITF discussed a number of topics related to certain expenses that the Company reports in merchandising expenses, a component of SG&A expenses. In January 2001, the EITF issued No. 00-22, which requires certain rebate offers and free products that are delivered subsequent to a single exchange transaction to be recognized when incurred and reported as a reduction of revenue. EITF No. 00-14 was issued in May 2000 and subsequently amended in November 2000. This guidance requires certain coupon, rebate offers and free products offered concurrently with a single exchange transaction with a customer to be recognized when incurred and reported as revenue. The Company was required to adopt EITF No. 00-22 and No. 00-14 for the third quarter ending April 30, 2001, and the fourth quarter ending July 31, 2001, respectively. The effect of the adoptions of EITF No. 00-22 and No. 00-14 resulted in a reclassification of expenses and a restatement to reduce previously reported net sales and SG&A expenses. The effect of these reclassifications resulted in a reduction in net sales and a corresponding decrease in SG&A expenses of $3,449,000 and $3,388,000 for the years ended July 31, 2001 and 2000, respectively.

4. SEGMENT REPORTING

The Company has four reportable operating segments: Consumer Products Group, Specialty Products Group, Crop Production and Horticultural Products Group, and Industrial and Automotive Products Group. These segments are managed separately because each business has different economic characteristics.

The accounting policies of the segments are the same as those described in Note 1 of the Company's Annual Report for the year ended July 31, 2001 on Form 10-K filed with the Securities and Exchange Commission.

Because management does not rely on segment asset allocation, information regarding segment assets is not meaningful and therefore is not reported.

	Quarter Ended October 31			
	Net Sales		Income	
	2001	2000	2001	2000
	(in thousands)			
Consumer Products Group	$ 26,812	$ 27,449	$ 2,036	$ 2,611

Specialty Products Group	6,430	6,472	1,591	1,197
Crop Production and Horticultural Products Group	3,488	3,726	201	172
Industrial and Automotive Products Group	4,908	4,884	182	40
TOTAL SALES/OPERATING INCOME	$ 41,638	$ 42,531	$ 4,010	$ 4,020
Less:				
Corporate Expenses			3,010	2,712
Interest Expense, net of Interest ncome			627	726
INCOME BEFORE INCOME Taxes			373	582
Income Taxes			106	149
NET INCOME			$ 267	$ 433

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THREE MONTHS ENDED OCTOBER 31, 2001 COMPARED TO
THREE MONTHS ENDED OCTOBER 31, 2000

RESULTS OF OPERATIONS

Consolidated net sales for the first quarter ended October 31, 2001 were $41,638,000, a decrease of 2.1% from net sales of $42,531,000 in the first quarter of fiscal 2001. Net income for the first quarter of fiscal 2002 was $267,000, a decrease of 38.3% from $433,000 earned in the first quarter of fiscal 2001. Basic and diluted net income per share for the first quarter of fiscal 2002 was $0.05 versus $0.08 basic and diluted net income per share earned in the first quarter of fiscal 2001.

Net sales of the Consumer Products segment for the first quarter of fiscal 2002 were
$26,812,000, a decrease of 2.3% from net sales of $27,449,000 in the first quarter of fiscal 2001 due to reduced sales of branded cat litter items, offset somewhat by increased sales of private label cat litter. The Consumer Products Group's operating income decreased 22.0% from $2,611,000 in the first quarter of fiscal 2001 to $2,036,000 in the first quarter of fiscal 2002 due to a reduction of gross profit in the non-grocery and co-manufacturing areas, but partially offset by better expense control. The reduction of gross profit was caused by unfavorable product mix in the non-grocery area and higher manufacturing costs in the co-manufacturing group.

Net sales of the Specialty Products Group segment for the first quarter of fiscal 2002 were $6,430,000, a decrease of 0.7% from net sales of $6,472,000 in the first quarter of fiscal 2001. Specialty Products Group's operating income increased 32.9% from $1,197,000 in the first quarter of fiscal 2001 to $1,591,000 in the first quarter of fiscal 2002 due to increased sales of POULTRY GUARD(R) and bleaching clay, which were partially offset by a reduction of ULTRA CLEAR(R) sales.

Net sales of the Crop Production and Horticultural Products Group for the first quarter of fiscal 2002 were $3,488,000, a decrease of 6.4% from net sales of $3,726,000 in the first quarter of fiscal 2001, led primarily by a decrease in AGSORB(R) product sales. This decline is the result of continued economic softness in the crop protection category. This segment's operating income increased 16.9% from $172,000 in the first quarter of fiscal 2001 to $201,000 in the first quarter of fiscal 2002 due to selling price increases.

Net sales of the Industrial and Automotive Products Group for the first quarter of fiscal 2002 were $4,908,000, an increase of 0.5% from net sales of $4,884,000 in the first quarter of fiscal 2001. Lower volumes of clay based products were offset by higher selling prices. This segment's operating income increased 355% from $40,000 in the first quarter of fiscal 2001 to $182,000 in the first quarter of fiscal 2002 due to increased selling prices.

Consolidated gross profit as a percentage of net sales for the first quarter of fiscal 2002 decreased to 22.7% from 24.3% in the first quarter of fiscal 2001 due to an unfavorable mix in our Consumer Products group.

Operating expenses as a percentage of net sales for the first quarter of fiscal 2002 decreased to 20.5% from 21.0% in the first quarter of fiscal 2001 due to better expense control in our Consumer Products group. Also, the Consumer Products group's mix led to a reduction in trade spending.

Interest expense and interest income for the first quarter of fiscal 2002 were better by $98,000 from fiscal 2001, due to lower debt levels.

The Company's effective tax rate was 28.5% of pre-tax income in the first quarter of fiscal 2002 versus 25.6% in the same period of fiscal 2001.

Total assets of the Company decreased $64,000 or 0.1% during the first three months of fiscal 2002. Current assets increased $779,000 or 1.4% from fiscal 2001 year-end balances primarily due to increased accounts receivable and inventory, offset by a reduction of cash and equivalents. Property, plant and equipment, net of accumulated depreciation, decreased $666,000 or 1.2% during the first three months as depreciation expense exceeded capital expenditures.

Total liabilities increased $88,000 or 0.1% during the first three months of fiscal 2002. Current liabilities increased $1,008,000 or 5.1% from fiscal 2001 year-end balances due to increases in freight accruals, trade spending and current debt maturities. Non-current liabilities decreased $920,000 or 2.4% from fiscal 2001 year-end. The decrease was driven by a reduction in our long term debt.

EXPECTATIONS

The Company anticipates that second quarter sales will be in line with the level achieved in the second quarter of fiscal 2001. The Company continues to emphasize cost control and productivity improvements in its processes, which should contribute to profitability in both the next quarter and over the long term. During the second quarter, the Company will assume production of The Clorox Company's requirements for Jonny Cat(R) cat litter for the eastern half of the U.S. The Company expects annual revenues from this product will approximate $4,000,000.

Because of the uncertainties of the general economy, it is difficult to forecast the Company's fully diluted earnings per share beyond a broad range of $0.15 to $0.35 per diluted share for the fiscal year.

LIQUIDITY AND CAPITAL RESOURCES

The current ratio decreased to 2.7:1 at October 31, 2001 from 2.8:1 at July 31, 2001. Working capital decreased $229,000 during the first three months of fiscal 2002 to $35,871,000, primarily due to higher accrued expenses, offset by higher receivables. During the first three months of fiscal 2002, the balances of cash, cash equivalents and investment securities decreased $1,785,000.

Cash provided by operating activities was used to fund capital expenditures of $1,352,000, payments on long-term debt of $507,000 and dividend payments of $473,000. Total cash and investment balances held by the Company's foreign subsidiaries at October 31, 2001 and July 31, 2001 were $2,232,000 and $2,241,000, respectively.

Liquidity needs have been, and are expected to be, met through internally generated funds and, to the extent needed, borrowings under the Company's revolving credit facility with Harris Trust and Savings. The credit agreement contains restrictive covenants that, among other things and under various conditions, limit the Company's ability to incur additional indebtedness, to acquire (including a limitation on capital expenditures) or dispose of assets and to pay dividends.

Accounts receivable, less allowance for doubtful accounts, increased 2.4% during the first three months of fiscal 2002. Days outstanding receivables decreased from 58.3 at July 31, 2001 to 54.3 at October 31, 2001. The Company maintains policies and practices to monitor the creditworthiness of its customers. Such policies include maintenance of a list of customers whose creditworthiness has diminished. The total balance of accounts receivable for accounts on that list represents less than 5% of the Company's outstanding receivables.

The Company believes that cash flow from operations and availability under its revolving credit facility will provide adequate funds for foreseeable working capital needs, capital expenditures at existing facilities and debt service obligations. However, should new facility construction occur, it is anticipated that additional borrowings of a long-term nature will be required outside the existing credit facility.

The Company's ability to fund operations, make planned capital expenditures, including new facility construction, to make scheduled debt payments and to remain in compliance with all of the financial covenants under debt agreements depends on its future operating performance, which, in turn, is subject to prevailing economic conditions and to financial, business and other factors.

FOREIGN OPERATIONS

Net sales by the Company's foreign subsidiaries during the three months ended October 31, 2001 were $3,140,000 or 7.5% of total Company sales. This represents a decrease of 0.3% from the same period of fiscal 2001 in which foreign subsidiary sales were $3,149,000 or 7.4% of total Company sales. For the first three months of fiscal 2002, the foreign subsidiaries experienced a loss of $119,000, which was an improvement of $65,000 from the $184,000 loss reported from the same period of fiscal 2001. This improvement was due to higher gross profit margins resulting from selective price increases and also better expense control. Identifiable assets of the Company's foreign subsidiaries as of October 31, 2001 were $10,255,000, vs. $9,809,000 as of July 31, 2001. The increase from the fiscal 2001 year-end balance was caused by an increase in inventory and equipment.

FORWARD-LOOKING STATEMENTS

Certain statements in this report, including, but not limited to, those under the heading "Expectations" and those statements elsewhere in this report that use forward-looking terminology such as "expect," "would," "could," "should," "estimates," and "believes" are "forward-looking statements" within the meaning of that term in the Securities Exchange Act of 1934, as amended. Actual results may differ materially from those reflected in these forward-looking statements, due primarily to continued vigorous competition in the grocery, mass merchandiser and club markets and specialty product markets, the level of success of new products, and the cost of product introductions and promotions in the consumer market. These forward-looking statements also involve the risk of changes in market conditions in the overall economy and, for the fluids purification and agricultural markets, in planting activity, crop quality, and overall agricultural demand, including export demand, fluctuations of energy costs and foreign exchange rate fluctuations. Other factors affecting these forward-looking statements may be detailed from time to time in reports filed with the Securities and Exchange Commission.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company did not have any derivative financial instruments as of October 31, 2001. However, the Company is exposed to interest rate risk. The Company employs policies and procedures to manage its exposure to changes in the market risk of its cash equivalents and short term investments. The Company believes that the market risk arising from holdings of its financial instruments is not material.

The Company is exposed to commodity price risk with respect to natural gas. The Company has contracted for a major portion of its fuel needs for fiscal 2002 using forward purchase contracts to manage the volatility related to this exposure. These contracts are consistent with the Company's policy to contract for approximately 50% of its estimated annual fuel usage prior to the beginning of the following fiscal year. Business custom permits delivery of the fuel to be taken under the monthly contracts or settlement of the contracts at the then prevailing market rates. This determination is made by the Company depending on the economic conditions and business considerations, including, but not limited to, the prices of available alternative fuels. No contracts were entered into for speculative purposes. These contracts will reduce the volatility in fuel prices, and the weighted average cost of these contracts will be consistent with the increased prices paid in fiscal 2001.

The table below provides information about the Company's natural gas future contracts, which are sensitive to changes in commodity prices, specifically natural gas prices. For the future contracts the table presents the notional amounts in MMBtu's, the weighted average contract prices, and the total dollar contract amount, which will mature by July 31, 2002. The Fair Value was determined using the "Most Recent Settle" price for the "Henry Hub Natural Gas" option contract prices as listed by the New York Mercantile Exchange on November 30, 2001.

COMMODITY PRICE SENSITIVITY
NATURAL GAS FUTURE CONTRACTS
FOR THE YEAR ENDING JULY 31, 2002

	Expected 2002 Maturity	Fair Value
Natural Gas Future Volumes (MMBtu's)	1,420,000	--
Weighted Average Price (Per MMBtu)	$4.61	--
Contract Amount ($ U.S., in thousands	$6,541.3	$3,844.4

Factors which could influence the fair value of the natural gas contracts include, but are not limited to, the overall general economy, the recent events which occurred on September 11, 2001 in New York and Washington, the general demand of natural gas by the manufacturing sector, seasonality and the weather patterns throughout the United States and the world. Some of these same events have allowed the Company to mitigate the impact of the natural gas contracts, by the continued and in some cases expanded use of recycled oil in our manufacturing processes. Accurate estimates of the impact that these contracts may have on the Company's fiscal 2002 financial results are difficult to make due to the inherent uncertainty of future fluctuations in option contract prices in the natural gas options market.

PART II - OTHER INFORMATION

6. (a)EXHIBITS: The following documents are an exhibit to this report.

		Exhibit Index
Exhibit 11:	Statement Re: Computation of per share earnings	17

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.

OIL-DRI CORPORATION OF AMERICA
(Registrant)

BY /S/JEFFREY M. LIBERT

Jeffrey M. Libert
Chief Financial Officer

BY /S/DANIEL S. JAFFEE

Daniel S. Jaffee
President and Chief Executive Officer

Dated: December 5, 2001

Exhibit 11

OIL-DRI CORPORATION OF AMERICA AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(IN THOUSANDS EXCEPT FOR PER SHARE AMOUNTS)

	THREE MONTHS ENDED OCTOBER 31	
	2001	2000
Net income available to Stockholders (numerator)	$ 267	$ 433
Shares Calculation (denominator):	5,614	5,610
Average shares outstanding - basic		
Effect of Dilutive Securities:		
Potential Common Stock relating to stock options	11	3
Average shares outstanding- assuming dilution	5,625	5,613
Earnings per share-basic	$ 0.05	$ 0.08
Earnings per share-assuming dilution	$ 0.05	$ 0.08