

UNITED STATES  
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) **June 5, 2008**

**Oil-Dri Corporation of America**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation)

**0-8675**

(Commission File  
Number)

**36-2048898**

(IRS Employer  
Identification No.)

**410 North Michigan Avenue  
Suite 400  
Chicago, Illinois**

(Address of principal executive offices)

**60611-4213**

(Zip Code)

Registrant's telephone number, including area code

**(312) 321-1515**

(Former name or former address, if changed since last report.)

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 (see General Instruction A.2. below):

- 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 2.02 Results of Operations and Financial Condition.**

On June 5, 2008, Oil-Dri Corporation of America (the "Registrant") issued a press release announcing its results of operations for its third quarter and nine-month period ended April 30, 2008. A copy of the press release is attached as Exhibit 99.1 and the information contained therein is incorporated herein by reference. The information contained in this Item 2.02, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), and it shall not be deemed incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

Exhibit Number	Description of Exhibits
99.1	Press Release of the Registrant dated June 5, 2008

**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 hereunto duly authorized.

OIL-DRI CORPORATION OF AMERICA

By: /s/ Charles P. Brissman

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Charles P. Brissman

Vice President and General Counsel

Date: June 5, 2008

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Exhibit Index

Exhibit  
Number

Description of Exhibits

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99.1

Press Release of the Registrant dated June 5, 2008

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# News Release

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**Release:** Immediate

**Contact:**

Ronda J. Williams  
312-706-3232

## **Oil-Dri Announces Record Net Sales for the Third Quarter and Nine-Month Period Ended April 30, 2008**

CHICAGO - (June 5, 2008) - Oil-Dri Corporation of America (NYSE: ODC) today announced that higher unit shipments and price increases contributed to record net sales for the third quarter and nine months ended April 30, 2008, while significantly higher costs negatively impacted net income for the quarter.

The Company reported record net sales of \$59,543,000 for its third fiscal quarter, a 12% increase compared with net sales of \$52,956,000 in the same quarter one year ago. The Company reported net income for the quarter of \$2,013,000 or \$0.28 per diluted share, compared with net income of \$1,999,000, or \$0.28 per diluted share, one year ago.

The Company reported record net sales for its nine-month period of \$172,854,000, a 9% increase compared with net sales of \$157,958,000 in the same period one year ago. Net income for the nine-month period was \$6,586,000, or \$0.91 per diluted share, a 14% increase compared with net income of \$5,609,000, or \$0.80 per diluted share, in the same period last fiscal year.

### **Third Quarter Review**

President and Chief Executive Officer Daniel S. Jaffee said, "While net sales in the quarter were up 12%, our net income was flat due to significant increases in our cost of goods. Specifically, rising costs of fuel, packaging materials and transportation outpaced our ability to raise prices.

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“We experienced a reduction in gross profit margin from 19.6% in the second quarter to 18.6% in the third quarter.

“Our business is healthy as we are selling more product units overall and experiencing distribution growth in both reporting segments. We are optimistic that we are on the right path to recoup margins through product mix, price increases and cost reduction initiatives.”

### **Business Review**

Net sales for the Company’s **Retail and Wholesale Products Group** were \$39,221,000 and group income was \$3,183,000 in the third quarter. Net sales for the nine-month period were \$117,052,000 and group income was \$11,416,000. Net sales and unit volume growth were primarily driven by private label cat litter. Oil-Dri industrial and automotive products were down in net sales and unit volume. Significant cost increases in freight outpaced the Group’s ability to raise prices. Previously announced price increases for all classes of trade for both coarse and scoopable cat litters will be implemented in August 2008.

Net sales for the Company’s **Business-to-Business Products Group** were \$20,322,000 and group income was \$3,904,000 in the third quarter. Net sales for the nine-month period were \$55,802,000 and group income was \$11,561,000. Net sales and unit volume were up for bleaching clays and animal health and nutrition products. Net sales were flat for agricultural carriers and down in units sold. Sports turf products experienced net sales and unit volume declines in the quarter.

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## Financial Review

On March 13, 2008, Oil-Dri's Board of Directors declared quarterly cash dividends of \$0.13 per share of outstanding Common Stock and \$0.0975 per share of outstanding Class B Stock. The dividends will be payable on June 6, 2008, to stockholders of record at the close of business on May 23, 2008. At the April 30, 2008 closing price of \$17.60 and assuming cash dividends continue at the same rate, the annual yield on the Company's Common Stock is 3.0%.

Cash, cash equivalents and short-term investments totaled \$27,100,000 at April 30, 2008. Capital expenditures for the nine-month period totaled \$4,352,000, which was \$1,244,000 less than the depreciation and amortization of \$5,596,000.

## Looking Forward

Jaffee said, "We are working to recoup reduced margins from this fiscal year by focusing more on sales of higher margin products and raising prices. In this volatile economic environment where fuel and other costs are continuing to rise, we are not anticipating reductions in our cost of goods through the fourth quarter."

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The Company will offer a live webcast of the third quarter earnings teleconference on Friday, June 6, 2008, from 10:00 - 10:30 AM CT. To listen to the call via the web, please visit [www.streetevents.com](http://www.streetevents.com) or [www.oildri.com](http://www.oildri.com). An archived recording of the call and written transcripts of all teleconferences are posted on the Oil-Dri website.

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*Oil-Dri Corporation of America is a leading supplier of specialty sorbent products for agricultural, horticultural, fluids purification, specialty markets, industrial and automotive, and is the world's largest manufacturer of cat litter.*

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*Certain statements in this press release may contain forward-looking statements that are based on our current expectations, estimates, forecasts and projections about our future performance, our business, our beliefs, and our management's assumptions. In addition, we, or others on our behalf, may make forward-looking statements in other press releases or written statements, or in our communications and discussions with investors and analysts in the normal course of business through meetings, webcasts, phone calls, and conference calls. Words such as "expect," "outlook," "forecast," "would," "could," "should," "project," "intend," "plan," "continue," "believe," "seek," "estimate," "anticipate," "believe", "may," "assume," variations of such words and similar expressions are intended to identify such forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.*

*Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially including, but not limited to, the dependence of our future growth and financial performance on successful new product introductions, intense competition in our markets, volatility of our quarterly results, risks associated with acquisitions, our dependence on a limited number of customers for a large portion of our net sales and other risks, uncertainties and assumptions that are described in Item 1A (Risk Factors) of our most recent Annual Report on Form 10-K and other reports we file with the Securities and Exchange Commission. Should one or more of these or other risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results may vary materially from those anticipated, intended, expected, believed, estimated, projected or planned. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except to the extent required by law, we do not have any intention or obligation to update publicly any forward-looking statements after the distribution of this press release, whether as a result of new information, future events, changes in assumptions, or otherwise.*

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**OIL - DRI CORPORATION OF AMERICA**

**Consolidated Statements of Income**

(in thousands, except for per share amounts)  
(unaudited)

	<b>Third Quarter Ended April 30,</b>			
	<b>2008</b>	<b>% of Sales</b>	<b>2007</b>	<b>% of Sales</b>
<b>Net Sales</b>	\$ 59,543	100.0%	\$ 52,956	100.0%
<b>Cost of Sales</b>	(48,486)	81.4%	(41,417)	78.2%
<b>Gross Profit</b>	11,057	18.6%	11,539	21.8%
<b>Operating Expenses</b>	(8,236)	13.8%	(8,515)	16.1%
<b>Operating Income</b>	2,821	4.7%	3,024	5.7%
<b>Interest Expense</b>	(552)	0.9%	(593)	1.1%
<b>Other Income</b>	445	0.7%	541	1.0%
<b>Income Before Income Taxes</b>	2,714	4.6%	2,972	5.6%
<b>Income Taxes</b>	(701)	1.2%	(973)	1.8%
<b>Net Income</b>	<u>\$ 2,013</u>	<u>3.4%</u>	<u>\$ 1,999</u>	<u>3.8%</u>
<b>Net Income Per Share:</b>				
<b>Basic Common</b>	\$ 0.30		\$ 0.32	
<b>Basic Class B Common</b>	\$ 0.25		\$ 0.24	
<b>Diluted</b>	\$ 0.28		\$ 0.28	
<b>Average Shares Outstanding:</b>				
<b>Basic Common</b>	5,092		4,925	
<b>Basic Class B Common</b>	1,862		1,822	
<b>Diluted</b>	7,223		7,043	

	<b>Nine Months Ended April 30,</b>			
	<b>2008</b>	<b>% of Sales</b>	<b>2007</b>	<b>% of Sales</b>
<b>Net Sales</b>	\$ 172,854	100.0%	\$ 157,958	100.0%
<b>Cost of Sales</b>	(138,019)	79.8%	(124,259)	78.7%
<b>Gross Profit</b>	34,835	20.2%	33,699	21.3%
<b>Operating Expenses</b>	(25,347)	14.7%	(25,327)	16.0%
<b>Operating Income</b>	9,488	5.5%	8,372	5.3%
<b>Interest Expense</b>	(1,696)	1.0%	(1,851)	1.2%
<b>Other Income</b>	1,230	0.7%	1,379	0.9%
<b>Income Before Income Taxes</b>	9,022	5.2%	7,900	5.0%
<b>Income Taxes</b>	(2,436)	1.4%	(2,291)	1.5%
<b>Net Income</b>	<u>\$ 6,586</u>	<u>3.8%</u>	<u>\$ 5,609</u>	<u>3.6%</u>
<b>Net Income Per Share:</b>				
<b>Basic Common</b>	\$ 1.01		\$ 0.90	
<b>Basic Class B Common</b>	\$ 0.81		\$ 0.66	
<b>Diluted</b>	\$ 0.91		\$ 0.80	
<b>Average Shares Outstanding:</b>				
<b>Basic Common</b>	5,052		4,882	
<b>Basic Class B Common</b>	1,852		1,814	
<b>Diluted</b>	7,206		6,980	

OIL - DRI CORPORATION OF AMERICA

**Consolidated Balance Sheets**

(in thousands, except for per share amounts)  
(unaudited)

	<b>As of April 30,</b>		
	<b>2008</b>	<b>2007</b>	
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 8,165	\$ 10,061	
Investment in Treasury Securities	18,935	14,800	
Accounts Receivable, net	31,109	27,362	
Inventories	16,941	14,724	
Prepaid Expenses	5,873	6,602	
<b>Total Current Assets</b>	<b>81,023</b>	<b>73,549</b>	
Property, Plant and Equipment	50,334	52,171	
Other Assets	13,181	12,826	
<b>Total Assets</b>	<b>\$ 144,538</b>	<b>\$ 138,546</b>	
<b>Current Liabilities</b>			
Current Maturities of Notes Payable	\$ 5,580	\$ 4,080	
Accounts Payable	7,451	5,309	
Dividends Payable	846	763	
Accrued Expenses	15,078	15,557	
<b>Total Current Liabilities</b>	<b>28,955</b>	<b>25,709</b>	
<b>Long-Term Liabilities</b>			
Notes Payable	21,500	27,080	
Other Noncurrent Liabilities	7,598	8,234	
<b>Total Long-Term Liabilities</b>	<b>29,098</b>	<b>35,314</b>	
Stockholders' Equity	86,485	77,523	
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 144,538</b>	<b>\$ 138,546</b>	
<b>Book Value Per Share Outstanding</b>	<b>\$ 12.53</b>	<b>\$ 11.58</b>	
<b>Acquisitions of Property, Plant and Equipment</b>			
	<b>Third Quarter</b>	<b>\$ 524</b>	<b>\$ 2,518</b>
	<b>Year to Date</b>	<b>\$ 4,352</b>	<b>\$ 6,616</b>
<b>Depreciation and Amortization Charges</b>			
	<b>Third Quarter</b>	<b>\$ 1,861</b>	<b>\$ 1,875</b>
	<b>Year to Date</b>	<b>\$ 5,596</b>	<b>\$ 5,547</b>

## OIL - DRI CORPORATION OF AMERICA

## Consolidated Statements of Cash Flows

(in thousands)

(unaudited)

	For the Nine Months Ended	
	April 30,	
	2008	2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 6,586	\$ 5,609
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	5,596	5,547
(Increase) in Accounts Receivable	(3,285)	(1,536)
(Increase) Decrease in Inventories	(1,704)	973
Increase (Decrease) in Accounts Payable	1,431	(1,783)
(Decrease) Increase in Accrued Expenses	(1,233)	874
Other	(1,268)	428
Total Adjustments	(463)	4,503
Net Cash Provided by Operating Activities	6,123	10,112
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital Expenditures	(4,352)	(6,616)
Net (Purchases) Dispositions of Investment Securities	(440)	5,120
Other	43	53
Net Cash Used in Investing Activities	(4,749)	(1,443)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on Long-Term Debt	(4,080)	(4,080)
Dividends Paid	(2,528)	(2,271)
Purchase of Treasury Stock	(20)	(12)
Other	1,397	1,314
Net Cash Used in Financing Activities	(5,231)	(5,049)
Effect of exchange rate changes on cash and cash equivalents	(111)	(166)
Net (Decrease) Increase in Cash and Cash Equivalents	(3,968)	3,454
Cash and Cash Equivalents, Beginning of Year	12,133	6,607
Cash and Cash Equivalents, April 30	\$ 8,165	\$ 10,061