

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) February 27, 2007

OIL-DRI CORPORATION OF AMERICA

(Exact name of registrant as specified in its charter)

Delaware

0-8675

36-2048898

(State or other jurisdiction of  
incorporation)

(Commission  
File Number)

(IRS Employer  
Identification No.)

410 North Michigan Avenue  
Suite 400  
Chicago, Illinois

60611-4213

(Address of principal executive offices)

(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 February 27, 2007, Oil-Dri Corporation of America (the "Registrant") issued a  
press release announcing its results of operations for its second quarter ended  
January 31, 2007. 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 Form 8-K, including the exhibit, shall not be  
deemed "filed" for purposes of Section 18 of the Securities Exchange Act of  
1934, and it shall not be deemed incorporated by reference into any filing under  
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 February 27, 2007.

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: March 8, 2007

Exhibit Index  
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Exhibit Number	Description of Exhibits
99.1	Press Release of the Registrant dated February 27, 2007.

RELEASE: Immediate

CONTACT: Ronda J. Williams  
312-706-3232

## OIL-DRI REPORTS SECOND QUARTER AND FIRST HALF RESULTS

CHICAGO - February 27, 2007 - Oil-Dri Corporation of America (NYSE: ODC) today announced increased net income on decreased net sales for the second quarter ended January 31, 2007.

The Company reported net sales of \$52,873,000 for the quarter, a 2% decrease compared with net sales of \$53,963,000 in the same quarter one year ago. The Company reported net income for the quarter of \$1,963,000, or \$0.28 per diluted share, an 8% increase compared with net income of \$1,867,000, or \$0.26 per diluted share, in the same quarter one year ago.

Net sales for the first six-month period were \$105,002,000, a 3% increase compared with sales of \$101,752,000 in the same period one year ago. Net income for the six-month period was \$3,610,000, or \$0.52 per diluted share, a 30% increase compared with net income of \$2,895,000, or \$0.40 per diluted share, in the same period last fiscal year.

## SECOND QUARTER REVIEW

President and Chief Executive Officer Daniel S. Jaffee said, "This quarter we experienced year over year income growth in our Retail and Wholesale Products Group. In light of weak net sales in our Business-to-Business Products Group, this demonstrates the strength of our diverse markets.

"We are encouraged with the progress we have made repairing our gross profit margins. Despite the sales decline for the quarter, earnings grew and margins expanded, primarily as a result of price increases implemented earlier this year.

"Our operating cash flow for the six-month period was \$7,113,000, up significantly from \$455,000 in the same period last fiscal year.

"At January 31, 2007, we became an accelerated filer for Securities and Exchange Commission reporting purposes. As a result, we will be required to comply with all of the requirements of Section 404 of the Sarbanes-Oxley Act as of July 31, 2007. While we will experience increased expenses over the remainder of the fiscal year as a result of our compliance efforts, we do not expect these expenses to have a material impact on our results of operations."

## BUSINESS REVIEW

Net sales for the Company's Business-to-Business Products Group were \$16,897,000 and group income was \$2,851,000 for the second quarter. Net sales were \$33,782,000 and group income was \$6,249,000, for the six-month period.

- continued -

Decreased sales of the Group's agricultural carriers, bleaching clays, and animal health and nutrition products, in both units and dollars, negatively impacted quarterly results.

Net sales for the Company's Retail and Wholesale Products Group were \$35,976,000 and group income was \$4,540,000 for the second quarter. Net sales were \$71,220,000 and group income was \$8,089,000, for the six-month period. Price increases drove improved sales dollars for both cat litter and industrial and automotive products in the United States and Canada and helped repair some of the margin damage caused a year ago by the dramatic increase in the cost of natural gas.

## FINANCIAL REVIEW

On December 5, 2006, Oil-Dri's Board of Directors declared quarterly cash dividends of \$0.12 per share of outstanding Common Stock and \$0.09 per share of outstanding Class B Stock. The dividends will be payable on March 16, 2007, to stockholders of record at the close of business on February 9, 2007. At the January 31, 2007 closing price of \$16.36 per share and assuming cash dividends continue at the same rate, the annual yield on the Company's Common Stock is 2.9%. The Company has paid cash dividends continuously for 32 years.

The Company did not repurchase any Common Stock in the six-month period ended January 31, 2007.

Cash, cash equivalents and short-term investments at January 31, 2007, totaled \$28,418,000. Capital expenditures for the six-month period totaled \$4,098,000, which was \$426,000 more than the period's depreciation and amortization of \$3,672,000.

#### LOOKING FORWARD

Jaffee said, "We are optimistic about our financial results as we head into the final two quarters of our fiscal year. There are obvious challenges we face to recover some of the lost sales momentum we experienced in the second quarter, but we are confident that we will be able to get back on track."

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The Company will offer a live web cast of the second quarter earnings teleconference on Wednesday, February 28, 2007, at 10 a.m. CST. 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 web site.

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.

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.

OIL-DRI CORPORATION OF AMERICA  
CONSOLIDATED STATEMENTS OF INCOME  
(in thousands, except for per share amounts)  
(unaudited)

SECOND QUARTER ENDED JANUARY 31,

	2007	% OF SALES	2006	% OF SALES
Net Sales	\$ 52,873	100.0%	\$ 53,963	100.0%
Cost of Sales	(41,376)	78.3%	(43,395)	80.4%
Gross Profit	11,497	21.7%	10,568	19.6%
Operating Expenses	(8,651)	16.4%	(7,742)	14.3%
Operating Income	2,846	5.4%	2,826	5.2%
Interest Expense	(641)	1.2%	(539)	1.0%
Other Income	475	0.9%	262	0.5%
Income Before Income Taxes	2,680	5.1%	2,549	4.7%
Income Taxes	(717)	1.4%	(682)	1.3%
Net Income	\$ 1,963	3.7%	\$ 1,867	3.5%
Net Income Per Share*:				
Basic Common	\$ 0.32		\$ 0.30	
Basic Class B Common	\$ 0.23		\$ 0.22	
Diluted	\$ 0.28		\$ 0.26	
Average Shares Outstanding*:				
Basic Common	4,871		5,007	
Basic Class B Common	1,815		1,822	
Diluted	6,987		7,256	

SIX MONTHS ENDED JANUARY 31,

	2007	% OF SALES	2006	% OF SALES
Net Sales	\$ 105,002	100.0%	\$ 101,752	100.0%
Cost of Sales	(82,842)	78.9%	(82,757)	81.3%
Gross Profit	22,160	21.1%	18,995	18.7%
Gain on Sale of Long-Lived Assets	--	--	415	0.4%
Operating Expenses	(16,812)	16.0%	(15,001)	14.7%
Operating Income	5,348	5.1%	4,409	4.3%
Interest Expense	(1,258)	1.2%	(969)	1.0%
Other Income	838	0.8%	512	0.5%
Income Before Income Taxes	4,928	4.7%	3,952	3.9%
Income Taxes	(1,318)	1.3%	(1,057)	1.0%
Net Income	\$ 3,610	3.4%	\$ 2,895	2.8%
Net Income Per Share*:				
Basic Common	\$ 0.58		\$ 0.46	
Basic Class B Common	\$ 0.43		\$ 0.34	
Diluted	\$ 0.52		\$ 0.40	
Average Shares Outstanding*:				
Basic Common	4,861		5,005	
Basic Class B Common	1,810		1,823	
Diluted	6,952		7,263	

\* Net Income Per Share and Average Shares Outstanding for the three months and the six months ended January 31, 2006 have been restated to reflect the

Company's five-for-four stock split, on September 8, 2006.

## OIL-DRI CORPORATION OF AMERICA

## CONSOLIDATED BALANCE SHEETS

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

	AS OF JANUARY 31,	
	2007	2006
Current Assets		
Cash, Cash Equivalents and Investments	\$ 28,418	\$ 29,485
Accounts Receivable, net	26,920	28,165
Inventories	14,429	15,444
Prepaid Expenses	6,840	8,514
Total Current Assets	76,607	81,608
Property, Plant and Equipment	51,313	48,618
Other Assets	12,615	12,916
Total Assets	\$ 140,535	\$ 143,142
Current Liabilities		
Current Maturities of Notes Payable	\$ 4,080	\$ 3,080
Accounts Payable	6,184	6,158
Dividends Payable	758	608
Accrued Expenses	14,588	14,951
Total Current Liabilities	25,610	24,797
Long-Term Liabilities		
Notes Payable	31,080	35,160
Other Noncurrent Liabilities	8,610	7,850
Total Long-Term Liabilities	39,690	43,010
Stockholders' Equity*	75,235	75,335
Total Liabilities and Stockholders' Equity	\$ 140,535	\$ 143,142
Book Value Per Share Outstanding	\$ 11.28	\$ 11.03
Acquisitions of		
Property, Plant and Equipment		
Second Quarter	\$ 1,746	\$ 1,589
Year to Date	\$ 4,098	\$ 4,624
Depreciation and Amortization Charges		
Second Quarter	\$ 1,848	\$ 1,810
Year to Date	\$ 3,672	\$ 3,607

\* Stockholders' Equity at January 31, 2007, reflects an adjustment of \$1,235,000 (net of tax) taken August 1, 2006 as part of the Company's implementation of EITF 04-06 "Accounting for Stripping Costs Incurred during Production in the Mining Industry".

## OIL-DRI CORPORATION OF AMERICA

CONSOLIDATED STATEMENTS OF CASH FLOWS  
(in thousands)  
(unaudited)

	FOR THE SIX MONTHS ENDED JANUARY 31,	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 3,610	\$ 2,895
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	3,672	3,607
(Increase) in Accounts Receivable	(1,010)	(4,711)
Decrease (Increase) in Inventories	1,268	(2,758)
(Decrease) Increase in Accounts Payable	(968)	1,030
(Decrease) Increase in Accrued Expenses	(95)	1,283
Other	636	(891)
Total Adjustments	3,503	(2,440)
Net Cash Provided by Operating Activities	7,113	455
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	(4,098)	(4,624)
Net Dispositions/(Purchase) of Investment Securities	848	(8,894)
Other	30	1,000
Net Cash Used in Investing Activities	(3,220)	(12,518)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on Long-Term Debt	(80)	(80)
Dividends Paid	(1,509)	(1,165)
Purchase of Treasury Stock	--	(1,826)
Proceeds from Issuance of Long-Term Debt	--	15,000
Other	618	1,307
Net Cash (Used in) Provided by Financing Activities	(971)	13,236
Effect of exchange rate changes on cash and cash equivalents	43	(245)
Net Increase in Cash and Cash Equivalents	2,965	928
Cash and Cash Equivalents, Beginning of Year	6,607	5,945
Cash and Cash Equivalents, January 31	\$ 9,572	\$ 6,873