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 January 31, 2008

OR

o 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 o

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	o	Accelerated filer	x
Non-accelerated filer (Do not check if a smaller reporting company)	o	Smaller reporting company	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No x

The aggregate market value of the Registrant’s Common Stock owned by non-affiliates as of January 31, 2008 for accelerated filer purposes was $100,149,000.

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 – 5,076,000 Shares
Class B Stock – 1,914,797 Shares

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FORWARD-LOOKING STATEMENTS

Certain statements in this report, including, but not limited to, those under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and those statements elsewhere in this report and other documents we file with the Commission contain forward-looking statements that are based on 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 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 those described in Item 1A, Risk Factors, of our Annual Report on Form 10-K for the fiscal year ended July 31, 2007, which risk factors are incorporated herein by reference. Should one or more of these or other risks or uncertainties materialize, or should underlying assumptions prove incorrect, 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 hereof. 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 report, whether as a result of new information, future events, changes in assumptions, or otherwise.

TRADEMARK NOTICE

Oil-Dri, Agsorb, Oil-Dri All Purpose, Oil-Dri Lites, Cat’s Pride, Jonny Cat, KatKit, ConditionAde, Pure-Flo, UltraClear, Poultry Guard, Flo-Fre, Saular, Terra Green and Pro’s Choice are all registered trademarks of Oil-Dri Corporation of America or of its subsidiaries. PelUnite Plus, Perform and Select are trademarks of Oil-Dri Corporation of America. Fresh Step is the registered trademark of The Clorox Company.

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands of dollars)
(unaudited)

	January 31, 2008	July 31, 2007
ASSETS		
Current Assets		
Cash and cash equivalents	$ 4,325	$ 12,133
Investment in securities	24,355	17,894
Accounts receivable, less allowance of $643 and $569 at January 31, 2008 and July 31, 2007, respectively	29,973	27,933
Inventories	16,396	15,237
Deferred income taxes	788	788
Prepaid expenses and other assets	5,511	4,315
Total Current Assets	81,348	78,300
Property, Plant and Equipment		
Cost	154,550	151,478
Less accumulated depreciation and amortization	(102,818)	(100,033)
Total Property, Plant and Equipment, Net	51,732	51,445
Other Assets		
Goodwill	5,162	5,162
Trademarks and patents, net of accumulated amortization of $339 and $327 at January 31, 2008 and July 31, 2007, respectively	817	817
Debt issuance costs, net of accumulated amortization of $487 and $450 at January 31, 2008 and July 31, 2007, respectively	376	413
Licensing agreements, net of accumulated amortization of $2,857 and $2,757 at January 31, 2008 and July 31, 2007, respectively	582	682
Deferred income taxes	1,652	1,618
Other	3,692	3,650
Total Other Assets	12,281	12,342
Total Assets	$ 145,361	$ 142,087

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

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands of dollars)
(unaudited)

	January 31, 2008	July 31, 2007
LIABILITIES & STOCKHOLDERS' EQUITY		
Current Liabilities		
Current maturities of notes payable	**$ 8,080**	$ 4,080
Accounts payable	**6,130**	6,181
Dividends payable	**846**	833
Accrued expenses:		
Salaries, wages and commissions	**4,018**	7,052
Trade promotions and advertising	**3,028**	2,395
Freight	**1,524**	1,305
Other	**5,796**	5,559
Total Current Liabilities	**29,422**	27,405
Noncurrent Liabilities		
Notes payable	**23,000**	27,080
Deferred compensation	**4,958**	4,756
Other	**3,043**	2,604
Total Noncurrent Liabilities	**31,001**	34,440
Total Liabilities	**60,423**	61,845
Stockholders' Equity		
Common Stock, par value $.10 per share, issued 7,362,226 shares at January 31, 2008 and 7,270,167 shares at July 31, 2007	**736**	727
Class B Stock, par value $.10 per share, issued 2,239,538 shares at January 31, 2008 and 2,234,538 shares at July 31, 2007	**224**	223
Additional paid-in capital	**21,572**	20,150
Restricted unearned stock compensation	**(824)**	(991)
Retained earnings	**103,386**	100,503
Accumulated Other Comprehensive Income		
Unrealized gain on marketable securities	**50**	59
Pension and postretirement benefits	**869**	857
Cumulative translation adjustment	**718**	507
	126,731	122,035
Less Treasury Stock, at cost (2,286,226 Common and 324,741 Class B shares at January 31, 2008 and 2,286,226 Common and 324,741 Class B shares at July 31, 2007)	**(41,793)**	(41,793)
Total Stockholders' Equity	**84,938**	80,242
Total Liabilities & Stockholders' Equity	**$ 145,361**	$ 142,087

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

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Condensed Consolidated Statements of Income and Retained Earnings
(in thousands, except for per share amounts)
(unaudited)

	For The Six Months Ended January 31	
	2008	**2007**
Net Sales	**$ 113,311**	$ 105,002
Cost of Sales	**(89,533)**	(82,842)
Gross Profit	**23,778**	22,160
Selling, General and Administrative Expenses	**(17,111)**	(16,812)
Income from Operations	**6,667**	5,348
Other Income (Expense)		
Interest expense	**(1,144)**	(1,258)
Interest income	**652**	691
Other, net	**133**	147
Total Other Income (Expense), Net	**(359)**	(420)
Income Before Income Taxes	**6,308**	4,928
Income taxes	**(1,735)**	(1,318)
Net Income	**4,573**	3,610
Retained Earnings		
Balance at beginning of year	**100,503**	97,390
Cumulative effect of change in accounting principle, net of tax*	**—**	(1,235)
Cash dividends declared	**(1,690)**	(1,513)
Retained Earnings – January 31	**$ 103,386**	$ 98,252
Net Income Per Share		
Basic Common	**$ 0.70**	$ 0.58
Basic Class B	**$ 0.57**	$ 0.43
Diluted	**$ 0.64**	$ 0.52
Average Shares Outstanding		
Basic Common	**5,033**	4,861
Basic Class B	**1,846**	1,810
Diluted	**7,196**	6,952

*See Note 8 of the notes to the condensed consolidated financial statements for a description of the change in accounting for stripping costs incurred during production.

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

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income
(in thousands of dollars)
(unaudited)

	For The Six Months Ended January 31	
	2008	**2007**
Net Income	**$ 4,573**	$ 3,610
Other Comprehensive Income:		
Unrealized (loss) gain on marketable securities	**(9)**	15
Pension and postretirement benefits	**12**	
Cumulative Translation Adjustments	**211**	(28)
Total Comprehensive Income	**$ 4,787**	$ 3,597

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

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Condensed Consolidated Statements of Income
(in thousands, except for per share amounts)
(unaudited)

	For The Three Months Ended January 31	
	2008	**2007**
Net Sales	**$ 58,026**	$ 52,873
Cost of Sales	**(46,678)**	(41,376)
Gross Profit	**11,348**	11,497
Selling, General and Administrative Expenses	**(8,251)**	(8,651)
Income from Operations	**3,097**	2,846
Other Income (Expense)		
Interest expense	**(570)**	(641)
Interest income	**284**	353
Other, net	**71**	122
Total Other Income (Expense), Net	**(215)**	(166)
Income Before Income Taxes	**2,882**	2,680
Income taxes	**(793)**	(717)
Net Income	**$ 2,089**	$ 1,963
Net Income Per Share		
Basic Common	**$ 0.32**	$ 0.32
Basic Class B	**$ 0.26**	$ 0.23
Diluted	**$ 0.29**	$ 0.28
Average Shares Outstanding		
Basic Common	**5,062**	4,871
Basic Class B	**1,853**	1,815
Diluted	**7,239**	6,987

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

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income
(in thousands of dollars)
(unaudited)

	For The Three Months Ended January 31	
	2008	**2007**
Net Income	**$ 2,089**	$ 1,963
Other Comprehensive Income:		
Unrealized (loss) gain on marketable securities	**(35)**	7
Pension and postretirement benefits	**6**	—
Cumulative Translation Adjustments	**(236)**	(102)
Total Comprehensive Income	**$ 1,824**	$ 1,868

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

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(in thousands of dollars)
(unaudited)

	For The Six Months Ended January 31	
	2008	**2007**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	**$ 4,573**	$ 3,610
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**3,735**	3,672
Amortization of investment discount	**(455)**	(447)
Non-cash stock compensation expense	**468**	567
Excess tax benefits for share-based payments	**(238)**	(86)
Deferred income taxes	**10**	(6)
Provision for bad debts	**120**	205
Loss on the sale of fixed assets	**18**	446
(Increase) Decrease in:		
Accounts receivable	**(2,159)**	(1,010)
Inventories	**(1,159)**	1,268
Prepaid expenses	**(1,196)**	(454)
Other assets	**180**	(201)
Increase (Decrease) in:		
Accounts payable	**144**	(968)
Accrued expenses	**(1,893)**	(95)
Deferred compensation	**202**	89
Other liabilities	**372**	523
Total Adjustments	**(1,851)**	3,503
Net Cash Provided by Operating Activities	**2,722**	7,113
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(3,828)**	(4,098)
Proceeds from sale of property, plant and equipment	**28**	30
Purchases of investment securities	**(56,006)**	(22,852)
Dispositions of investment securities	**50,000**	23,700
Net Cash Used in Investing Activities	**(9,806)**	(3,220)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on notes payable	**(80)**	(80)
Dividends paid	**(1,678)**	(1,509)
Proceeds from issuance of common stock	**893**	496
Excess tax benefits for share-based payments	**238**	86
Other, net	**68**	36
Net Cash Used in Financing Activities	**(559)**	(971)
Effect of exchange rate changes on cash and cash equivalents	**(165)**	43
Net (Decrease) Increase in Cash and Cash Equivalents	**(7,808)**	2,965
Cash and Cash Equivalents, Beginning of Year	**12,133**	6,607
Cash and Cash Equivalents, January 31	**$ 4,325**	$ 9,572

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

1. BASIS OF STATEMENT PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information and with instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. 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, 2007, included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission.

The unaudited condensed consolidated financial statements include the accounts of the parent company and its subsidiaries. All significant intercompany transactions are eliminated.

The unaudited condensed consolidated financial statements reflect all adjustments, consisting of normal recurring accruals, which are, in the opinion of management, necessary for a fair presentation of the statements contained herein. Operating results for the three months and the six months ended January 31, 2008 are not necessarily an indication of the results that may be expected for the fiscal year ending July 31, 2008.

The preparation of the unaudited financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions related to the reporting of assets, liabilities, revenues, expenses and related disclosures. Estimates are revised periodically. Actual results could differ from these estimates.

Under the terms of our sales agreements with customers, we recognize revenue when title is transferred. Upon shipment an invoice is generated that sets the fixed and determinable price. Promotional reserves are provided for sales incentives made directly to consumers and customers and are netted against sales. Sales returns and allowances have historically not been material. Selling, general and administrative expenses include salaries, wages and benefits associated with staff outside the manufacturing and distribution functions, advertising costs, research and development costs and all other non-manufacturing and non-distribution expenses.

We evaluate our allowance for doubtful accounts utilizing a combination of a historical experience and a periodic review of our accounts receivable aging and specific customer account analysis. We maintain and monitor a list of customers whose creditworthiness has diminished.

As part of our overall operations, we mine sorbent materials on property that we either own or lease. A significant part of our overall mining cost is incurred during the process of removing the overburden (non-usable material) from the mine site, thus exposing the sorbent material that is then used in a majority of our production processes. In accordance with EITF Issue No. 04-06, “Accounting for Stripping Costs Incurred during Production in the Mining Industry,” production stripping costs are treated as a variable inventory production cost and are included in cost of sales in the period they are incurred. We defer and amortize the pre-production overburden removal costs associated with opening a new mine.

During the normal course of our overburden removal activities we perform on-going reclamation activities. As overburden is removed from a pit, it is hauled to previously mined pits and used to refill older sites. This process allows us to continuously reclaim older pits and dispose of overburden simultaneously, therefore minimizing the liability for the reclamation function.

Additionally, it is our policy to capitalize the purchase cost of land and mineral rights, including associated legal fees, survey fees and real estate fees. The costs of obtaining mineral patents, including legal fees and drilling expenses, are also capitalized. Pre-production development costs on new mines and any prepaid royalties that can be offset against future royalties due upon extraction of the mineral are also capitalized. All exploration related costs are expensed as incurred.

2. **INVENTORIES**

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

	January 31, 2008	July 31, 2007
Finished goods	$ 9,734	$ 9,012
Packaging	3,615	3,118
Other	3,047	3,107
	$ 16,396	$ 15,237

Inventories are valued at the lower of cost (first-in, first-out) or market. Inventory costs include the cost of raw materials, packaging supplies, labor and other overhead costs. We perform a quarterly review of our inventory items to determine if an obsolescence reserve adjustment is necessary. The review surveys all of our operating facilities and sales groups to ensure that both historical issues and new market trends are considered. The allowance not only considers specific items, but also takes into consideration the overall value of the inventory as of the balance sheet date. The inventory obsolescence reserve values at January 31, 2008 and July 31, 2007 were $183,000 and $199,000, respectively.

3. **PENSION AND OTHER POST RETIREMENT BENEFITS**

The components of net periodic pension benefits cost of our sponsored defined benefit plans were as follows:

	PENSION PLANS			
	Three Months Ended		Six Months Ended	
	January 31, 2008	January 31, 2007	January 31, 2008	January 31, 2007
	(dollars in thousands)		(dollars in thousands)	
Components of net periodic pension benefit cost:				
Service cost	$ 212	$ 198	$ 424	$ 405
Interest cost	292	270	584	545
Expected return on plan assets	(347)	(301)	(694)	(602)
Net amortization	37	6	86	12
	$ 194	$ 173	$ 400	$ 360

We have funded the plan based upon actuarially determined contributions that take into account the amount deductible for income tax purposes, the normal cost and the minimum contribution required and the maximum contribution allowed under the Employee Retirement Income Security Act of 1974, as amended. We did not make a contribution to our pension plan during the first six months of fiscal 2008. We intend to make a contribution to the pension plan during the current fiscal year equal to the annual actuarial determined cost. We currently estimate this amount to be approximately $830,000.

The components of the net periodic postretirement health benefit cost were as follows:

	POST RETIREMENT HEALTH BENEFITS			
	Three Months Ended		Six Months Ended	
	January 31, 2008	January 31, 2007	January 31, 2008	January 31, 2007
	(dollars in thousands)		(dollars in thousands)	
Components of net periodic postretirement benefit cost:				
Service cost	$ 17	$ 16	$ 34	$ 32
Interest cost	18	16	36	32
Amortization of net transition obligation	4	4	8	8
Net actuarial loss	(1)	1	6	2
	$ 38	$ 37	$ 84	$ 74

Our plan covering postretirement health benefits is an unfunded plan.

Assumptions used in the previous calculations are as follows:

	PENSION PLAN		POST RETIREMENT HEALTH BENEFITS	
	For three and six months ended:			
	January 31, 2008	January 31, 2007	January 31, 2008	January 31, 2007
Discount rate for net periodic benefit cost	6.25%	6.25%	6.25%	6.25%
Rate of increase in compensation levels	4.00%	4.00%	—	—
Long-term expected rate of return on assets	8.00%	8.00%	—	—
Medical trend	—	—	6.00%	6.00%
Measurement date	7/31/2007	7/31/2006	7/31/2007	7/31/2006
Census date	8/1/2006	8/1/2005	8/1/2006	8/1/2005

4. **RECENTLY ISSUED ACCOUNTING STANDARDS**

In December 2007, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 141 (Revised 2007), *Business Combinations* (SFAS No. 141-R). SFAS No.141-R will significantly change the accounting for future business combinations after adoption. SFAS No. 141-R establishes principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non controlling interest in the acquired business. SFAS No. 141-R also provides guidance for recognizing and measuring the goodwill acquired in the business combination and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141-R is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. We will adopt this Statement as of August 1, 2009. When we adopt this Statement, we will apply it to future periods in the event that we have an acquisition.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements—An Amendment of ARB No. 51*. This statement establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 requires the noncontrolling interest to be reported as a component of equity, changes in a parent's ownership interest while the parent retains its controlling interest be accounted for as equity transactions, and any retained noncontrolling equity investment upon the deconsolidation of a subsidiary be initially measured at fair value. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. We will adopt this Statement as of August 1, 2009. We are currently evaluating the impact SFAS No. 160 will have on our consolidated financial statements.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. This Statement defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosures about fair value measurements. In February 2008, SFAS No. 157 was amended by FASB Staff Positions ("FSP") SFAS No. 157-1 *Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13* and by FSP SFAS No. 157-2 *Effective Date of FASB Statement No. 157*. FSP SFAS No. 157-1 amends SFAS No. 157 to exclude FASB Statement No. 13, *Accounting for Leases*, and other accounting pronouncements that address fair value measurements for purposes of lease classification or measurement under Statement 13. FSP SFAS No. 157-2 delays the effective date of SFAS No. 157 for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). We will adopt the provisions of these Statements as of August 1, 2008. We are currently evaluating the impact of adopting these Statements on our consolidated financial statements.

5. SEGMENT REPORTING

SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information" establishes standards for reporting information about operating segments. Under this standard, we have two reportable operating segments: Retail and Wholesale Products and Business to Business Products. These segments are managed separately because each business has different customer characteristics. Net sales and operating income for each segment are provided below. Revenues by product line are not provided because it would be impracticable to do so.

The accounting policies of the segments are the same as those described in Note 1 of the consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended July 31, 2007 filed with the Securities and Exchange Commission.

Management does not rely on any segment asset allocations and does not consider them meaningful because of the shared nature of our production facilities; however, we have estimated the segment asset allocations as follows:

	Assets	
	January 31, 2008	July 31, 2007
	(in thousands)	
Business to Business Products	$ 36,575	$ 35,298
Retail and Wholesale Products	64,493	61,992
Unallocated Assets	44,293	44,797
Total Assets	$ 145,361	$ 142,087

	Six Months Ended January 31,			
	Net Sales		Operating Income	
	2008	2007	2008	2007
	(in thousands)			
Business to Business Products	$ 35,480	$ 33,782	$ 7,657	$ 6,249
Retail and Wholesale Products	77,831	71,220	8,233	8,089
Total Sales/Operating Income	$ 113,311	$ 105,002	15,890	14,338
Less:				
Corporate Expenses			9,090	8,843
Interest Expense, net of Interest Income			492	567
Income before Income Taxes			6,308	4,928
Income Taxes			(1,735)	(1,318)
Net Income			$ 4,573	$ 3,610

	Three Months Ended January 31,			
	Net Sales		Operating Income	
	2008	2007	2008	2007
	(in thousands)			
Business to Business Products	$ 18,563	$ 16,897	$ 3,656	$ 2,851
Retail and Wholesale Products	39,463	35,976	3,883	4,540
Total Sales/Operating Income	$ 58,026	$ 52,873	7,539	7,391
Less:				
Corporate Expenses			4,371	4,423
Interest Expense, net of Interest Income			286	288
Income before Income Taxes			2,882	2,680
Income Taxes			(793)	(717)
Net Income			$ 2,089	$ 1,963

6. **STOCK-BASED COMPENSATION**

We adopted Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payments" ("SFAS 123R") in the first quarter of fiscal 2006. In accordance with this pronouncement, we record compensation expense for all awards granted after the date of adoption and for the unvested portion of previously granted awards that remain outstanding at the date of adoption. The stock-based compensation expense in the first six months of fiscal years 2008 and 2007 is the cost related to the unvested portion of grants issued after August 1, 2000 and grants issued after July 31, 2005. The stock options granted before August 1, 2000 were fully vested as of the beginning of fiscal 2006.

Stock Options

Our 1995 Long Term Incentive Plan (the "1995 Plan") provided for grants of both incentive and non-qualified stock options principally at an option price per share of 100% of the fair market value of our Class A Common Stock or, if no Class A Common Stock is outstanding, our Common Stock ("Stock") on the date of grant. Stock options were generally granted with a five-year vesting period and a 10-year term. The stock options generally vest 25% two years after the grant date and 25% in each of the three following anniversaries of the grant date. This plan expired for purposes of issuing new grants on August 5, 2005. All stock issued from option exercises under this plan were from authorized but unissued stock. All restricted stock issued was from treasury stock.

On March 14, 2006, our Board of Directors unanimously approved adoption of the Oil-Dri Corporation of America 2006 Long Term Incentive Plan; our Board amended and restated the plan following the five-for-four stock split described below (as so amended and restated, the "2006 Plan"). The 2006 Plan was approved by our stockholders at our annual meeting on December 5, 2006. The 2006 Plan permits the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards and other stock-based and cash-based awards. Our employees and non-employee directors are eligible to receive grants under the 2006 Plan. The total number of shares of Stock subject to grants under the 2006 Plan may not exceed 919,500. Option grants covering 25,000 shares were issued to our outside directors with a vesting period of one year and option grants covering 32,500 shares were issued to employees with vesting similar to the vesting described above under the 1995 Plan. There were 90,000 shares of restricted stock issued under the 2006 Plan.

The Oil-Dri Corporation of America Outside Director Stock Plan (the "Directors' Plan") provides for grants of stock options to our directors at an option price per share of 100% of the fair market value of Common Stock on the date of grant. Our directors are considered employees under the provisions of SFAS 123R. Stock options have been granted to our directors for a 10-year term with a one year vesting period. There are 106,250 stock options outstanding as of January 31, 2008, and no stock options available for future grants under this plan. All stock issued under this plan were from treasury stock.

A five-for-four stock split was announced by our Board on June 6, 2006. In keeping with historical practices, we have adjusted the number of shares and the option prices to equitably adjust all outstanding stock options. Under SFAS 123R, the equitable adjustment of outstanding options to reflect a change in capitalization (such as a stock split) may require the recognition of incremental compensation expense if the adjustment is not determined to have been required by the actual terms of the equity incentive plan. The Directors' Plan and the 1995 Plan may be deemed to have been discretionary, rather than required by the actual terms of these plans. We therefore recognized additional stock-based compensation expense as a result of the modification of approximately $96,000 and $105,000 in the second quarter of fiscal 2008 and 2007, respectively, and $207,000 and $247,000 in the first six months of fiscal 2008 and 2007, respectively.

The fair value of the fiscal 2007 stock options was estimated on the date of grant using a Black-Scholes option valuation model. The assumptions used during the full fiscal 2007 were: volatility, 22.4%; risk free interest rate, 4.6%; expected life, 5.0 years; dividend rate, 2.8%. There were no stock options granted in the first six months of fiscal 2008. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant. The expected life (estimated period of time outstanding) of the options granted was estimated by reference to the vesting schedule, historical and future expected exercise behavior of employees and comparison with other reporting companies. Expected volatility was based on historical volatility for a period of five years, ending the day of grant, and calculated on a daily basis. The dividend rate is based on the actual dividend and share price on the grant date.

Changes in our stock options during the first six months of fiscal 2008 were as follows:

	Number of Shares (in thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Options outstanding, July 31, 2007	786	$ 8.87		$ 8,789
Exercised	(97)	$ 9.20		$ 983
Cancelled	(10)	$ 9.33		$ 101
Options outstanding, January 31, 2008	679	$ 8.81	4.6	$ 7,633
Options exercisable, January 31, 2008	460	$ 8.84	4.3	$ 5,157

The amount of cash received from the exercise of stock options during the second quarter of fiscal 2008 was $302,000 and the related tax benefit was $80,000. The amount of cash received from the exercise of stock options during the first six months of fiscal 2008 was $895,000 and the related tax benefit was $238,000.

Restricted Stock

Our 1995 Plan and 2006 Plan both provide for grants of restricted stock. The vesting schedule under the 1995 Plan has varied, but has generally been three years or less. Under the 2006 Plan, the grants issued so far have vesting periods between three and five years.

Included in our stock-based compensation expense in the second quarter of fiscal years 2008 and 2007 is $84,000 and $82,000, respectively, related to the unvested restricted stock granted in fiscal 2005 and the 90,000 shares of restricted stock granted in fiscal 2006. In the first six months of fiscal years 2008 and 2007, the expense related to the unvested restricted stock was $164,000 and $167,000, respectively. No shares of restricted stock were granted in the first six months of fiscal 2008.

Changes in our restricted stock outstanding during the first six months of fiscal 2008 were as follows:

	(shares in thousands)	
	Restricted Shares	Weighted Average Grant Date Fair Value
Unvested restricted stock at July 31, 2007	76	$ 15.38
Vested	(18)	
Unvested restricted stock at January 31, 2008	58	$ 15.39

7. RECENTLY ADOPTED ACCOUNTING PROUNOUNCEMENT

We adopted FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes,” (“FIN 48”) on August 1, 2007. This interpretation clarifies the accounting for uncertainty in income taxes in accordance with SFAS No. 109, “Accounting for Income Taxes.” The pronouncement provides a recognition threshold and measurement guidance for the financial statement recognition of a tax position taken or expected to be taken in a tax return. Under FIN 48, the impact of an uncertain income tax position on the income tax return must be recognized at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Additionally, FIN 48 provides guidance on derecognition, declassification, interest and penalties, accounting in interim periods, disclosure and transition.

As of August 1, 2007, we have recognized no material adjustments in the liability for unrecognized income tax benefits. As of the adoption date on August 1, 2007, we had approximately $200,000 of unrecognized tax benefits, all of which would impact our effective tax rate if recognized. The amount of unrecognized tax benefits was not materially changed as of January 31, 2008.

We recognize interest and penalties related to uncertain tax positions in income tax expense. We have no material accrued interest expense or penalties related to unrecognized tax benefits.

We are subject to U.S. federal income tax as well as income tax in multiple state and foreign jurisdictions. Our federal income tax returns for the fiscal years ending July 31, 2004, through July 31, 2006, remain open for examination by the IRS. However, all U.S. federal income tax examinations for the fiscal years through July 31, 2005, have been effectively concluded. Foreign and U.S. state jurisdictions have statutes of limitations generally ranging from 3 to 5 years. The state impact of any federal income tax changes remains subject to examination by various states for a period of up to one year after formal notification to the states. There are no material open or unsettled federal, state, local or foreign income tax audits. We believe our accrual for tax liabilities is adequate for all open audit years. This assessment is based on estimates and assumptions that may involve judgments about future events. On the basis of present information, we do not anticipate the total unrecognized tax benefits will significantly change due to the settlement of audits or the expiration of statue of limitations in the next twelve months.

8. CHANGE IN ACCOUNTING FOR STRIPPING COSTS INCURRED DURING PRODUCTION

In March 2005, the Financial Accounting Standards Board ratified the consensus reached in EITF Issue No. 04-06 (“EITF Issue 04-06”), “Accounting for Stripping Costs Incurred during Production in the Mining Industry.” The consensus was effective for the first fiscal period in the fiscal year beginning after December 15, 2005; therefore, we adopted the pronouncement at the beginning of fiscal 2007. The consensus on EITF Issue 04-06 calls for production stripping costs to be treated as a variable inventory production cost and to be included in cost of sales in the period they are incurred. We will continue to defer and amortize the pre-production overburden removal costs associated with opening a new mine.

Prior to this new pronouncement, we recorded these production stripping costs in a prepaid expense account and, as the usable sorbent material was mined, the prepaid overburden removal expense was amortized over the estimated available material. In accordance with the transition guidance provided by this new pronouncement, we wrote off the August 1, 2006 balance of our prepaid overburden removal expense account to opening retained earnings, with no charge to current earnings. The results for prior periods have not been restated. The cumulative effect adjustment reduced opening retained earnings by $1,235,000, eliminated the $1,686,000 balance of the prepaid overburden removal expense account and adjusted our tax accounts by $451,000.

9. SALE OF EMISSION REDUCTION CREDITS

During the first quarter of fiscal 2008, we entered into an agreement to sell emission reduction credits we hold in the State of California to an unaffiliated third party. On November 1, 2007, during our second quarter of fiscal 2008, the San Joaquin Valley Air Pollution Control District completed the transfer of ownership forms and releases, thereby allowing consummation of the sale. Cost of sales for the three and six months ending January 31, 2008, was reduced by the net proceeds of $507,000 as a result of this sale.

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis of our financial condition and results of operations should be read together with the financial statements and the related notes included herein and our consolidated financial statements, accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended July 31, 2007. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements. Factors that might cause a difference include, but are not limited to, those discussed under "Forward-Looking Statements" and Item 1A (Risk Factors) of our Annual Report on Form 10-K for the fiscal year ended July 31, 2007.

OVERVIEW

We develop, manufacture and market sorbent products principally produced from clay minerals and, to a lesser extent, other sorbent materials. Our principal products include cat litter, industrial and automotive absorbents, bleaching clay and clarification aids, agricultural chemical carriers, animal health and nutrition and sports field products. Our products are sold to two primary customer groups, including customers who resell our products as originally produced to the end customer and those who use our products as part of their production process or use them as an ingredient in their final finished product. We have two reportable segments, the Retail and Wholesale Products Group and the Business to Business Products Group, as described in Note 5 of the unaudited condensed financial statements.

RESULTS OF OPERATIONS

**SIX MONTHS ENDED JANUARY 31, 2008 COMPARED TO
SIX MONTHS ENDED JANUARY 31, 2007**

Consolidated net sales for the six months ended January 31, 2008 were $113,311,000, an increase of 8% from net sales of $105,002,000 in the first six months of fiscal 2007. Net income for the first six months of fiscal 2008 was $4,573,000, an increase of 27% from net income of $3,610,000 in the first six months of fiscal 2007. Diluted income per share for the first six months of fiscal 2008 was $0.64 versus $0.52 diluted net income per share for the first six months of fiscal 2007.

Net income for the first six months of fiscal 2008 was positively impacted by overall higher net selling prices, increased volume, lower cost of fuel used in the manufacturing process and a $507,000 reduction in cost of sales resulting from the sale of emission reduction credits, as described in Note 9 of the unaudited condensed consolidated financial statements. Net income was negatively impacted by higher freight and packaging costs. Freight costs increased significantly due to record diesel fuel prices in both the trucking and rail distribution channels and changes in our customer geographic distribution mix. Packaging costs were up due to price increases in the resin and paper markets.

Net sales of the Business to Business Products Group for the first six months of fiscal 2008 were $35,480,000, an increase of $1,698,000 from net sales of $33,782,000 in the first six months of fiscal 2007. Total tons sold for the Group were down 3% compared to the first six months of fiscal 2007; however, the mix of products and increased selling prices provided for higher sales in the first six months of fiscal 2008. Sales of bleaching earth and fluid purification products were up 16% due to increased selling prices and higher tons sold. The higher tonnage was due to increased sales to existing customers and new business, which included applications in the biodiesel production industry. Our co-packaged cat litter sales increased 2% due to a higher selling price and a new co-packaging customer. Sales of animal health and nutrition products also increased primarily due to higher volume and selling price increases for our mycotoxin binder and animal feed binder products. Conversely, sales of agricultural chemical carriers were down due to 16% lower volume caused by the continued market erosion due to growth of genetically modified seed and seed treatments.

The Business to Business Products Group's segment income increased 23% from $6,249,000 in the first six months of fiscal 2007 to $7,657,000 in the first six months of fiscal 2008. A higher net selling price for most products in the Group offset an increase of approximately 7% in combined freight and packaging costs. Freight costs increased significantly due to higher diesel fuel prices. Packaging costs were up due to price increases in the resin and paper markets.

Net sales of the Retail and Wholesale Products Group for the first six months of fiscal 2008 were $77,831,000, an increase of $6,611,000 from net sales of $71,220,000 reported in the first six months of fiscal 2007. Total tons sold for the Group were up 8%. Cat litter tons sold increased 18%. Net sales of private label cat litter increased 47% due to higher volume and price increases. The higher volume is the result of new distribution to existing customers as well as new customers. In contrast, branded cat litter sales declined 7% due to loss of a customer. Sales of industrial absorbents were down 5% due to lower volume.

The Retail and Wholesale Products Group's segment income increased 2% from $8,089,000 in the first six months of fiscal 2007 to $8,233,000 in the first six months of fiscal 2008. The Group's overall increase in sales was mostly offset by higher costs. Freight costs were approximately 18% higher in the first six months of fiscal 2008 compared to the first six months of fiscal 2007. The cost of freight has increased significantly due to higher fuel costs and the geographic distribution mix of customers. The Group's product margins were also negatively impacted by increased packaging costs.

Our consolidated gross profit as a percentage of net sales for the first six months of fiscal 2008 was 21%, the same as in the first six months of fiscal 2007. Increased freight costs were offset by net selling price increases and a 4% decrease in the cost of fuel used in the manufacturing process. Cost of sales for the first six months of fiscal 2008 was also reduced by $507,000 as a result of the sale of emission reduction credits as described in Note 9 of the unaudited condensed consolidated financial statements. Non-fuel manufacturing costs were flat with the prior year.

Selling, general and administrative expenses as a percentage of net sales for the first six months of fiscal 2008 were 15%, compared to 16% in the first six months of fiscal 2007. Expenses in the first six months of fiscal 2008 included a lower discretionary bonus accrual and lower stock compensation expense, which were partially offset by increased spending for research and development. Discretionary bonus targets are revised each year. Stock compensation expense declined as existing grants were fully expensed and no new grants were issued. Research and development costs increased as we focused on new product development and improvements in existing products.

Interest expense was down $114,000 for the first six months of fiscal 2008 compared to the same period in fiscal 2007 due to continued debt reduction. Interest income was down $39,000 in the second quarter of fiscal 2008. A lower average interest rate offset the benefit of higher average investment balances.

Our effective tax rate was 28% of pre-tax income in the first six months of fiscal 2008 compared to 27% in the first six months of fiscal 2007. The effective tax rate is up slightly based on the projected composition of our taxable income for fiscal 2008.

Total assets increased $3,274,000 or 2% during the first six months of fiscal 2008. Current assets increased $3,048,000 or 4% from fiscal 2007 year-end balances, primarily due to an increase in investments, accounts receivable, inventories and prepaid expenses. These increases were partially offset by a decrease in cash and cash equivalents. The changes in current assets are described in Liquidity and Capital Resources. Property, plant and equipment, net of accumulated depreciation, increased $287,000 during the first six months of fiscal 2008.

Total liabilities decreased $1,410,000 during the first six months of fiscal 2008. Current liabilities increased $2,017,000 or 7% primarily due to an increase in current maturities of notes payable, accrued trade spending and other accrued expenses. Partially offsetting these increases was a decrease in accrued salaries. The changes in current liabilities are described in Liquidity and Capital Resources. Non-current liabilities decreased $3,427,000 or 10% due to a reclassification of notes payable from long-term to current.

THREE MONTHS ENDED JANUARY 31, 2008 COMPARED TO
THREE MONTHS ENDED JANUARY 31, 2007

Consolidated net sales for the three months ended January 31, 2008 were $58,026,000, an increase of 10% from net sales of $52,873,000 in the second quarter of fiscal 2007. Net income for the second quarter of fiscal 2008 was $2,089,000, an increase of 6% from net income of $1,963,000 in the second quarter of fiscal 2007. Diluted income per share for the second quarter of fiscal 2008 was $0.29 versus $0.28 diluted net income per share for the second quarter of fiscal 2007.

Net income for the second quarter of fiscal 2008 was positively impacted by overall higher net selling prices, increased volume, lower cost of fuel used in the manufacturing process and a $507,000 reduction in cost of sales as a result of the sale of emission reduction credits as described in Note 9 of the unaudited condensed consolidated financial statements. Net income for the quarter was negatively impacted by higher freight, packaging and material costs. Freight costs increased significantly due to record diesel fuel prices and changes in our customer geographic distribution mix. Higher selling prices in the Business to Business Products Group contributed to the increased net income; however, higher volume in the Retail and Wholesale Products Group could not overcome a decreased net selling price and higher costs.

Net sales of the Business to Business Products Group for the second quarter of fiscal 2008 were $18,563,000, an increase of $1,666,000 from net sales of $16,897,000 in the second quarter of fiscal 2007. Total tons sold for the Group were even with the second quarter of fiscal 2007; however, increased selling prices provided for higher sales in the second quarter of fiscal 2008. Sales of bleaching earth and fluid purification products were up 20% due to increased selling prices and higher tons sold. The higher tonnage was due to increased sales to existing customers and new business, which included applications in the biodiesel production industry. Our co-packaged cat litter sales increased 8% due to a higher selling price and a new co-packaging customer. Sales of animal health and nutrition products also increased due to price increases for our mycotoxin binder products. Sales of agricultural chemical carriers and our Flo-Fre product, a by-product of the chemical carrier manufacturing process, were up due to a higher selling price which offset lower volume.

The Business to Business Products Group's segment income increased 28% from $2,851,000 in the second quarter of fiscal 2007 to $3,656,000 in the second quarter of fiscal 2008. The increase in sales due to the higher net selling price for most products in the Group was partially offset by a combined freight, packaging and material costs increase of approximately 10%. Freight costs increased significantly due to higher diesel fuel prices. Packaging costs were up due to price increases in the resin and paper markets.

Net sales of the Retail and Wholesale Products Group for the second quarter of fiscal 2008 were $39,463,000, an increase of $3,487,000 from net sales of $35,976,000 reported in the second quarter of fiscal 2007. Total tons sold for the Group were up 11%. Cat litter tons sold increased 22%. Net sales of private label cat litter increased 49% due to higher volume and price increases. The higher volume was the result of new distribution to existing customers and new customers. In contrast, branded cat litter sales declined 6% due to loss of a customer. Sales of industrial absorbents were down for the quarter due to lower volume.

The Retail and Wholesale Products Group's segment income decreased 15% from $4,540,000 in the second quarter of fiscal 2007 to $3,883,000 in the second quarter of fiscal 2008. The Group's increase in volume was not sufficient to offset an overall decrease in net selling price and higher costs. The decrease in net selling price was driven by higher trade spending and product mix. Freight costs were approximately 21% higher in the second quarter of fiscal 2008 compared to the second quarter of fiscal 2007. The cost of freight has increased significantly due to higher fuel costs and the geographic distribution mix of customers. Our product margins were also negatively impacted by increased packaging costs.

Consolidated gross profit as a percentage of net sales for the second quarter of fiscal 2008 was 20%, compared to 22% for the second quarter of fiscal 2007. Increased freight and packaging costs and a reduced net selling price in the Retail and Wholesale Products Group were partially offset by a 6% decrease in the cost of fuel used in the manufacturing process. Cost of sales for the second quarter of fiscal 2008 was reduced by $507,000 as a result of the sale of emission reduction credits as described in Note 9 of the unaudited condensed consolidated financial statements. Non-fuel manufacturing costs were flat with the prior year.

Selling, general and administrative expenses as a percentage of net sales for the second quarter of fiscal 2008 were 14%, compare to 16% in the second quarter of fiscal 2007. The second quarter of fiscal 2008 expenses included a lower discretionary bonus accrual and lower stock compensation expense. Discretionary bonus targets are revised each year. Stock compensation expense declined as existing grants were fully expensed and no new grants were issued. These decreases were partially offset by increased spending for research and development as we focused on new product development and improvements in existing products.

Interest expense was down $71,000 for the second quarter of fiscal 2008 compared to the same period in fiscal 2007 due to continued debt reduction. Interest income was down $69,000 in the second quarter of fiscal 2008. A lower average interest rate offset the benefit of higher average investment balances.

Our effective tax rate was 28% of pre-tax income in the second quarter of fiscal 2008 compared to 27% in the second quarter of fiscal 2007. The effective tax rate is up slightly based on the projected composition of our taxable income for fiscal 2008.

FOREIGN OPERATIONS

Net sales by our foreign subsidiaries during the first six months of fiscal 2008 were $8,698,000 or 8% of total Company sales. This represents an increase of 2% from the first six months of fiscal 2007, in which foreign subsidiary sales were $8,510,000 or 8% of total Company sales. The increase in net sales was seen in our United Kingdom subsidiary, while our Canadian subsidiary's net sales were flat with the comparable period in fiscal 2007. The United Kingdom sales were up due to higher selling prices and higher volume. In our Canadian subsidiary, higher selling prices were offset by lower volume for both cat litter and industrial products. For the first six months of fiscal 2008, our foreign subsidiaries reported net income of $488,000, an increase of $179,000 from the $309,000 net income reported in the first six months of fiscal 2007. Higher selling prices and lower material costs contributed to the improved net income.

Identifiable assets of our foreign subsidiaries as of January 31, 2008 were $10,195,000 compared to $9,528,000 as of January 31, 2007. The increase was driven by higher cash and investments and accounts receivable corresponding to the increased sales.

Net sales by our foreign subsidiaries during the second quarter of fiscal 2008 were $4,206,000 or 7% of total Company sales, which is flat with the second quarter of fiscal 2007, in which foreign subsidiary sales were $4,212,000 or 8% of total Company sales. Net sales for our United Kingdom subsidiary were up $148,000, while net sales of our Canadian subsidiary were down a corresponding amount. Selling prices were up for both subsidiaries; however, volume was down for our Canadian subsidiary. For the second quarter of fiscal 2008, our foreign subsidiaries reported net income of $165,000, a decrease of $173,000 from the $338,000 net income reported in the second quarter of fiscal 2007. Our Canadian operations were negatively impacted by increased labor and freight costs.

LIQUIDITY AND CAPITAL RESOURCES

Our principal capital requirements include funding working capital needs, the purchasing and upgrading of real estate, equipment and facilities, funding new product development and investing in infrastructure and potential acquisitions. We principally have used cash generated from operations and, to the extent needed, issuance of debt securities and borrowings under our credit facilities to fund these requirements. Cash and cash equivalents decreased $7,808,000 during the first six months of fiscal 2008 to $4,325,000 at January 31, 2008.

The following table sets forth certain elements of our unaudited condensed consolidated statements of cash flows (in thousands):

	Six Months Ended	
	January 31, 2008	January 31, 2007
Net cash provided by operating activities	$ 2,722	$ 7,113
Net cash used in investing activities	(9,806)	(3,220)
Net cash used in provided by financing activities	(559)	(971)
Effect of exchange rate changes on cash and cash equivalents	(165)	43
Net (decrease) increase in cash and cash equivalents	$ (7,808)	$ 2,965

Net cash provided by operating activities

Net cash provided by operations was $2,722,000 for the six months ended January 31, 2008, compared to $7,113,000 for the six months ended January 31, 2007. The decrease was due primarily to changes in working capital that offset the increase in net income. For the first six months of fiscal years 2008 and 2007, the primary components of working capital that impacted operating cash flows were as follows:

Accounts receivable, less allowance for doubtful accounts, increased by $2,040,000 in the first six months of fiscal 2008 versus an increase of $1,010,000 in the first six months of fiscal 2007. The increase in accounts receivable for both fiscal years was due to higher sales in the second quarter compared to sales in the fourth quarter of the preceding fiscal year. The comparative sales increase was greater for the second quarter of fiscal 2008 (particularly in the month of January) resulting in a larger increase in accounts receivable.

Inventories increased $1,159,000 in the first six months of fiscal 2008, versus a decrease of $1,268,000 in the same period in fiscal 2007. Finished goods and packaging inventories increased in the first six months of fiscal 2008. The increase in finished goods inventory was a planned effort to meet future demand of specific products. The increase in packaging inventory was due to higher costs and increased safety stock for bag items. Inventories decreased in the first six months of fiscal 2007 due to a concerted effort to reduce packaging inventory levels, lower fuel inventory and procurement cost reduction initiatives.

Other prepaid expenses increased $1,196,000 in the first six months of fiscal 2008 versus an increase of $454,000 in the first six months of fiscal 2007. The timing of insurance premium payments resulted in an increase in prepaid expenses in both years. Prepaid income taxes also increased due to timing of tax payments in the first six months of fiscal 2008.

Accounts payable decreased $51,000 in the first six months of fiscal 2008 versus a decrease of $968,000 in the same period in fiscal 2007. The decrease in both periods was due to the normal fluctuations in the timing of payments and a decline in manufacturing fuel costs.

Accrued expenses decreased $1,945,000 in the first six months of fiscal 2008 versus a decrease of $95,000 in the first six months of fiscal 2007. In the first six months of fiscal 2008, accrued salaries was down due to the payout of the prior year's discretionary bonus accrual. Partially offsetting this decrease was higher accrued trade spending due to increased advertising and an increase in accrued freight due to higher freight costs. In the first six months of fiscal 2007, accrued trade spending decreased due to timing and reduction of promotional activities. Other accrued expenses decreased due to lower packaging and fuel inventories and timing of real estate tax payments. These decreases were partially offset by a higher audit expense accrual and an increase in accrued salaries. The audit expense accrual was higher due to additional expense to comply with the internal control reporting requirements mandated by Section 404 of the Sarbanes-Oxley Act of 2002. Accrued salaries were up due to a higher estimated fiscal 2007 discretionary bonus accrual.

Net cash used in investing activities

Cash used in investing activities was $9,806,000 in the first six months of fiscal 2008 compared to $3,220,000 in the first six months of fiscal 2007. In the first six months of fiscal 2008, more cash was used for purchases of investment securities as compared to the first six months of fiscal 2007. We have changed our investment strategy to allocate a greater portion of our financial resources to investments versus cash. Purchases and dispositions of investment securities in both periods are also subject to variations in the timing of investment maturities. Capital expenditures were $3,828,000 in the first six months of fiscal 2008 compared to $4,098,000 in the same period of fiscal 2007.

Net cash used in financing activities

Cash used in financing activities was $559,000 in the first six months of fiscal 2008 compared to $971,000 in the first six months of fiscal 2007. Dividend payments were $1,678,000 in the first six months of fiscal 2008, compared to $1,509,000 in the first six months of fiscal 2007 due to a dividend increase. Conversely, higher stock options exercise activity in the first six months of fiscal 2008 provided $893,000 from the issuance of common stock compared to $496,000 for the same period in fiscal 2007. The increase in stock option exercises also provided an excess tax benefit of $238,000 in the first six months of fiscal 2008 compared to $86,000 in the same period of fiscal 2007.

Other

Total cash and investment balances held by our foreign subsidiaries at January 31, 2008 and 2007 were $1,372,000 and $848,000, respectively. Our foreign subsidiaries' investment balances increased due to higher net income.

As part of our normal course of business, we guarantee certain debts and trade payables of our wholly owned subsidiaries. These arrangements are made at the request of the subsidiaries' creditors because separate financial statements are not distributed for the wholly owned subsidiaries. As of January 31, 2008, the value of these guarantees was $2,500,000 of long-term debt.

On January 27, 2006, we entered into a $15,000,000 unsecured revolving credit agreement with Harris N.A. ("Harris") that is effective until January 27, 2009. The credit agreement provides that we may select a variable rate based on either Harris' prime rate or a LIBOR-based rate, plus a margin which varies depending on our debt to earnings ratio, or a fixed rate as agreed between us and Harris. At January 31, 2008, the variable rates would have been 6.0% for the Harris' prime-based rate or 3.5% for the LIBOR-based rate. The credit agreement contains restrictive covenants that, among other things and under various conditions (including a limitation on capital expenditures), limit our ability to incur additional indebtedness or to dispose of assets. The agreement also requires us to maintain a minimum fixed coverage ratio and a minimum consolidated net worth. As of January 31, 2008 and 2007, we had $15,000,000 available under this credit facility and we were in compliance with its covenants.

We believe that cash flow from operations, availability under our revolving credit facility and current cash and investment balances will provide adequate cash funds for foreseeable working capital needs, capital expenditures at existing facilities and debt service obligations for at least the next 12 months. Our ability to fund operations, to make planned capital expenditures, to make scheduled debt payments and to remain in compliance with all of the financial covenants under debt agreements, including, but not limited to, the credit agreement, depends on our future operating performance, which, in turn, is subject to prevailing economic conditions and to financial, business and other factors. The timing and size of any new business ventures or acquisitions that we complete may also impact the cash requirements.

Our capital requirements are subject to change as business conditions warrant and opportunities arise. The tables in the following subsection summarize our contractual obligations and commercial commitments at January 31, 2008 for the time frames indicated.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

Contractual Obligations	Payments Due by Period				
	Total	**Less Than 1 Year**	**1 – 3 Years**	**4 – 5 Years**	**After 5 Years**
Long-Term Debt	$ 31,080,000	$ 8,080,000	$ 6,200,000	$ 7,900,000	$ 8,900,000
Interest on Long-Term Debt	6,775,000	1,730,000	2,601,000	1,700,000	744,000
Operating Leases	12,881,000	2,412,000	3,476,000	2,537,000	4,456,000
Unconditional Purchase Obligations	4,088,000	4,088,000	—	—	—
Total Contractual Cash Obligations	$ 54,824,000	$ 16,310,000	$ 12,277,000	$ 12,137,000	$ 14,100,000

We are not required to make a contribution to our defined benefit pension plan in fiscal 2008. We have not presented this obligation for future years in the table above because the funding requirement can vary from year to year based on changes in the fair value of plan assets and actuarial assumptions.

As of January 31, 2008, our non-current liability for uncertain tax positions was approximately $200,000, as described in Note 7 of the unaudited condensed consolidated financial statements. We have not presented this obligation in the table above because the timing of future cash flows is dependent on examinations by taxing authorities and can not reasonably be estimated.

The unconditional purchase obligations represent forward purchase contracts we have entered into for a portion of our natural gas fuel needs for fiscal 2008. As of January 31, 2008, the remaining purchase obligation for fiscal 2008 was $4,088,000 for 470,000 MMBtu. These contracts were entered into in the normal course of business and no contracts were entered into for speculative purposes.

Other Commercial Commitments	Amount of Commitment Expiration Per Period				
	Total	**Less Than 1 Year**	**1 – 3 Years**	**4 – 5 Years**	**After 5 Years**
Standby Letters of Credit	$ 253,000	$ 253,000	$ —	$ —	$ —
Other Commercial Commitments	28,465,000	28,465,000	—	—	—
Total Commercial Commitments	$ 28,718,000	$ 28,718,000	$ —	$ —	$ —

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

This discussion and analysis of financial condition and results of operations is based on our unaudited condensed consolidated financial statements, which have been prepared in conformity with accounting principles generally accepted in the United States. The preparation of these financial statements requires the use of estimates and assumptions related to the reporting of assets, liabilities, revenues, expenses and related disclosures. In preparing these financial statements, we have made our best estimates and judgments of certain amounts included in the financial statements. Estimates are revised periodically. Actual results could differ from these estimates.

See the information concerning our critical accounting policies included under Management's Discussion of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the fiscal year ended July 31, 2007 filed with the Securities and Exchange Commission, which is incorporated by reference in this Form 10-Q. For additional information on our adoption of FIN 48, see Note 7 of the notes to unaudited consolidated condensed financial statements in this Quarterly Report on Form 10-Q.

RECENTLY ISSUED ACCOUNTING STANDARDS

In December 2007, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 141 (Revised 2007), *Business Combinations* (SFAS No. 141-R). SFAS No.141-R will significantly change the accounting for future business combinations after adoption. SFAS No. 141-R establishes principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non controlling interest in the acquired business. SFAS No. 141-R also provides guidance for recognizing and measuring the goodwill acquired in the business combination and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141-R is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. We will adopt this Statement as of August 1, 2009. When we adopt this Statement, we will apply it to future periods in the event that we have an acquisition.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements—An Amendment of ARB No. 51.* This statement establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 requires the noncontrolling interest to be reported as a component of equity, changes in a parent's ownership interest while the parent retains its controlling interest be accounted for as equity transactions, and any retained noncontrolling equity investment upon the deconsolidation of a subsidiary be initially measured at fair value. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. We will adopt this Statement as of August 1, 2009. We are currently evaluating the impact SFAS No. 160 will have on our consolidated financial statements.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. This Statement defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosures about fair value measurements. In February 2008, SFAS No. 157 was amended by FASB Staff Positions ("FSP") SFAS No. 157-1 *Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13* and by FSP SFAS No. 157-2 *Effective Date of FASB Statement No. 157*. FSP SFAS No. 157-1 amends SFAS No. 157 to exclude FASB Statement No. 13, *Accounting for Leases*, and other accounting pronouncements that address fair value measurements for purposes of lease classification or measurement under Statement 13. FSP SFAS No. 157-2 delays the effective date of SFAS No. 157 for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). We will adopt the provisions of these Statements as of August 1, 2008. We are currently evaluating the impact of adopting these Statements on our consolidated financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to interest rate risk and employ policies and procedures to manage our exposure to changes in the market risk of our cash equivalents and short-term investments. We had two interest rate swap agreements as of January 31, 2008. We believe that the market risk arising from holding our financial instruments is not material.

We are exposed to currency risk as it relates to certain accounts receivables and from our foreign operations. We believe that the currency risk is immaterial to the overall presentation of the financial statements.

We are exposed to regulatory risk in the fluid purification and agricultural markets, principally as a result of the risk of increasing regulation of the food chain in the United States and Europe. We actively monitor developments in this area, both directly and through trade organizations of which we are a member.

We are exposed to commodity price risk with respect to natural gas. We have contracted for a portion of our fuel needs for the twelve months in fiscal 2008 using forward purchase contracts to manage the volatility in fuel prices related to this exposure. The weighted average cost of the fiscal 2008 contracts has been estimated to be approximately 5% higher than the contracts for fiscal 2007. All contracts were entered into during the normal course of business and no contracts were entered into for speculative purposes.

The tables below provide information about our natural gas purchase contracts, which are sensitive to changes in commodity prices, specifically natural gas prices. For the purchase contracts outstanding at January 31, 2008, 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, 2008. 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 February 29, 2008.

Commodity Price Sensitivity
Natural Gas Future Contracts
For the Six Months Ending July 31, 2008

	Expected 2008 Maturity	Fair Value
Natural Gas Future Volumes (MMBtu)	470,000	—
Weighted Average Price (Per MMBtu)	$ 8.70	—
Contract Amount ($ U.S., in thousands)	$ 4,088.3	$ 4,304.0

Factors that could influence the fair value of the natural gas contracts, include, but are not limited to, the creditworthiness of our natural gas suppliers, the overall general economy, developments in world events, and the general demand for 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 us 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 our fiscal 2008 financial results are difficult to make due to the inherent uncertainty of future fluctuations in option contract prices in the natural gas options market.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Management conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Form 10-Q. The controls evaluation was conducted under the supervision and with the participation of management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). Based upon the controls evaluation, our CEO and CFO have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified by the SEC, and that material information relating to us and our consolidated subsidiaries is made known to management, including the CEO and CFO, during the period when our periodic reports are being prepared.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the fiscal quarter ended January 31, 2008 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including the CEO and CFO, do not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II – OTHER INFORMATION

Items 1, 2, 3, and 5 of this Part II are either inapplicable or are answered in the negative and are omitted pursuant to the instructions to Part II.

ITEM 1A. RISK FACTORS

For information regarding Risk Factors, please refer to Item 1A in our Annual Report on Form 10-K for the year ended July 31, 2007. There have been no material changes in risk factors since July 31, 2007.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On December 4, 2007, we held our 2007 Annual Meeting of Stockholders for the purpose of considering and voting on two matters, summarized below.

1. **Election of Directors**

The following schedule sets forth the results of the vote to elect eight directors. As of the record date of the meeting a total of 6,929,392 shares of Common Stock and Class B Stock were eligible to cast a total of 24,117,565 votes. At the meeting, shares representing a total of 20,287,716 votes were present in person or by proxy.

Director	Votes For	Votes Withheld
J. Steven Cole	20,187,373	100,343
Arnold W. Donald	20,232,165	55,551
Daniel S. Jaffee	19,247,947	1,039,769
Richard M. Jaffee	19,248,044	1,039,672
Joseph C. Miller	19,244,328	1,043,388
Michael A. Nemeroff	19,198,522	1,089,194
Allan H. Selig	20,180,647	107,069
Paul E. Suckow	20,238,415	49,301

2. **Ratification of Independent Registered Public Accounting Firm**

Our Audit Committee’s selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending July 31, 2008 was ratified by receiving 20,240,775 votes of a total 24,117,565 eligible votes, with 33,716 votes against and 13,225 votes to abstain.

ITEM 6. EXHIBITS

(a) **EXHIBITS:**

Exhibit No.	Description	SEC Document Reference
10.1	First Amendment, effective as of January 1, 2007, to Oil-Dri Corporation of America Deferred Compensation Plan (as amended and restated effective April 1, 2003)*	Filed herewith.
10.2	Second Amendment, effective as of January 1, 2008, to Oil-Dri Corporation of America Deferred Compensation Plan (as amended and restated effective April 1, 2003)*	Filed herewith.
10.3	Oil-Dri Corporation of America 2005 Deferred Compensation Plan (as amended and restated effective January 1, 2008)*	Filed herewith.
10.4	Oil-Dri Corporation of America Annual Incentive Plan (as amended and restated effective January 1, 2008)*	Filed herewith.
10.5	First Amendment, effective as of January 1, 2008, to Oil-Dri Corporation of America 2006 Long Term Incentive Plan (as amended and restated effective July 28, 2006)*	Filed herewith.
11	Statement re: Computation of Earnings per Share.	Filed herewith.
31	Certifications pursuant to Rule 13a – 14(a).	Filed herewith.
32	Certifications pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002.	Furnished herewith.
*	Management contract or compensatory plan or arrangement.	

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/ Andrew N. Peterson
Andrew N. Peterson
Vice President and Chief Financial Officer

BY /s/ Daniel S. Jaffee
Daniel S. Jaffee
President and Chief Executive Officer

Dated: March 7, 2008

EXHIBITS

Exhibit No.	Description
10.1	First Amendment, effective as of January 1, 2007, to Oil-Dri Corporation of America Deferred Compensation Plan (as amended and restated effective April 1, 2003)
10.2	Second Amendment, effective as of January 1, 2008, to Oil-Dri Corporation of America Deferred Compensation Plan (as amended and restated effective April 1, 2003)
10.3	Oil-Dri Corporation of America 2005 Deferred Compensation Plan (as amended and restated effective January 1, 2008)
10.4	Oil-Dri Corporation of America Annual Incentive Plan (as amended and restated effective January 1, 2008)
10.5	First Amendment, effective as of January 1, 2008, to Oil-Dri Corporation of America 2006 Long Term Incentive Plan (as amended and restated effective July 28, 2006)
11	Statement re: Computation of Earnings per Share.
31	Certifications pursuant to Rule 13a - 14(a).
32	Certifications pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002.

Note: Stockholders may receive copies of the above listed exhibits, without fee, by written request to Investor Relations, Oil-Dri Corporation of America, 410 North Michigan Avenue, Suite 400, Chicago, Illinois 60611-4213.

Exhibit 10.1:

FIRST AMENDMENT
TO THE
OIL-DRI CORPORATION OF AMERICA DEFERRED COMPENSATION PLAN
(As Amended and Restated Effective April 1, 2003)

The Oil-Dri Corporation of America Deferred Compensation Plan, as amended and restated effective April 1, 2003 (the "Plan"), is hereby further amended, effective as herein provided, as follows:

1. Section 2.11 is amended, effective January 1, 2007, to read as follows:

"2.11 Eligible Employee or Director generally means each employee of an Employer who is at a salary grade of Grade 11 or higher at the time he or she elects to make Elective Deferrals or a non-employee who is a member of the Company's Board of Directors. The Company reserves the right to from time to time extend eligibility to participate in the Plan to a management employee of the Company who is at a salary grade less than Grade 11.

2. Section 2.19 is amended, effective April 1, 2003, to read as follows:

2.19 Unforeseen Emergency has the meaning set forth in Section 7.6."

IN WITNESS WHEREOF, the Company has caused this First Amendment to be adopted by unanimous written consent of the Executive Committee of the Board of Directors this 12th day of December, 2006, and executed by the signature of a duly authorized executive officer to be effective as provided herein.

COMPANY:

Date: December 13, 2006

OIL-DRI CORPORATION OF AMERICA

Attest By: /s/ Maryon L. Gray
Maryon L. Gray
Assistant General Counsel and Assistant Secretary

By: /s/ Charles P. Brissman
Charles P. Brissman
Vice President, Secretary and General Counsel

Exhibit 10.2

SECOND AMENDMENT
TO THE
OIL-DRI CORPORATION OF AMERICA DEFERRED COMPENSATION PLAN
(As Amended and Restated Effective April 1, 2003)

The Oil-Dri Corporation of America Deferred Compensation Plan, as amended and restated effective April 1, 2003, and further amended thereafter (the "Plan"), is hereby further amended, effective January 1, 2008 as follows. All capitalized terms not defined herein shall have the meaning set forth in the Plan.

1. Section 2.7 is amended to read as follows:

2.7 Earnings means the Company's long-term borrowing cost in effect during the Plan Year for which Earnings are being credited plus one percent.

Prior to January 1, 2008, Earnings means the Company's long-term borrowing cost in effect during the quarter for which Earnings are being credited plus one percent. Prior to October 1, 2000 Earnings means the reported composite rate of return experienced by the investment portfolio(s) chosen by a Participant as crediting indices; and for the portfolio referred to as the Oil-Dri Declared Rate Fund, Earnings means the Company's long-term borrowing cost ("Interest") in effect during the quarter for which Earnings are being credited. Prior to January 1, 1999, Earnings means Interest as defined in this Section 2.7. For Participants who retired prior to January 1, 1999, Earnings will continue to mean Interest as defined in this Section 2.7.

2. Section 5.2 is amended to read as follows:

5.2 Earnings Credited

Each Participant's Account shall be adjusted for Earnings. Earnings adjustments shall be calculated at a rate equal to the Company's long-term borrowing cost in effect during the Plan Year for which the Participant's Account is being adjusted plus one percent.

Prior to January 1, 2008, Earnings adjustments shall be calculated at a rate equal to the Company's long-term borrowing cost in effect during the quarter for which the Participant's Account is being adjusted plus one percent.

Prior to October 1, 2000, Earnings adjustments shall be calculated at a rate computed as if the Participant's Account had been invested in whole and fractional shares of the investment portfolio(s) selected by the Participant as crediting indices. For purposes of computing these Earnings adjustments, Elective Deferrals shall be assumed to have been invested in shares of the crediting indices on each date a transaction is credited to or debited from the Participant's account, at the trading price of the crediting indices on such date or the first business day thereafter. Earnings adjustments shall be computed as if all dividends paid on the crediting indices were reinvested in whole or fractional shares on the date paid.

Prior to January 1, 1999, earnings adjustments shall be calculated at the Interest rate as defined in Section 2.7. For Participants who retired prior to January 1, 1999, the rate for calculation of Earnings will continue to be the Interest rate.

IN WITNESS WHEREOF, the Company has caused this Second Amendment to be adopted by unanimous written consent of the Executive Committee of the Board of Directors this 17th day of December, 2007, and executed by the signature of a duly authorized executive officer to be effective as provided herein.

COMPANY:

OIL-DRI CORPORATION OF AMERICA

By:	/s/ Charles P. Brissman	Attest By:	/s/ Maryon L. Gray
	Charles P. Brissman Vice President, Secretary and General Counsel		Maryon L. Gray Assistant General Counsel and Assistant Secretary

Date: December 19, 2007

Exhibit 10.3:

THE OIL-DRI CORPORATION OF AMERICA 2005 DEFERRED COMPENSATION PLAN

As Amended and Restated Effective January 1, 2008

ARTICLE 1 - INTRODUCTION

1.1 Purpose of Plan

Oil-Dri Corporation of America, a Delaware corporation, has adopted the Plan set forth herein to provide a means by which certain employees and non-employee directors may elect to defer receipt of designated percentages or amounts of their Compensation.

1.2 Status of Plan

The Plan is intended to be "a plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees" within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, and shall be interpreted and administered to the extent possible in a manner consistent with that intent. The Plan is also intended to comply with the requirements of Section 409A of the Code, and shall apply to all benefits that were earned or became vested on or after January 1, 2005.

Benefits that were earned and vested prior to January 1, 2005 shall be governed by the terms of the Oil- Dri Corporation of America Deferred Compensation Plan, as amended and restated effective April 1, 2003.

ARTICLE 2 - DEFINITIONS

Wherever used herein, the following terms have the meanings set forth below, unless a different meaning is clearly required by the context:

2.1 **Account** means for each Participant, the bookkeeping account established for his or her benefit under Section 5.1.

2.2 **Affiliate** means any corporation or enterprise, other than the Company, which, as of a given date, is a member of the same controlled group of corporations, the same group of trades or businesses under common control, or the same affiliated service group, determined in accordance with Sections 414(b), (c), (m) and (o) of the Code, as is the Company.

2.3 **Change of Control** has the meaning set forth in the Oil-Dri Corporation of America 2006 Long Term Incentive Plan, as amended from time to time.

2.4 **Claimant** means a Participant or beneficiary of a Participant who believes he or she is entitled to a benefit under the Plan.

2.5 **Code** means the Internal Revenue Code of 1986, as amended from time to time. Reference to any section or subsection of the Code includes reference to any comparable or succeeding provisions of any legislation which amends, supplements or replaces such section or subsection.

2.6 **Company** means Oil-Dri Corporation of America or any successor to all or a major portion of the Company's assets or business which assumes the obligations of the Company.

2.7 **Compensation** means employee cash compensation, including but not limited to, base salary and bonuses payable under the Oil-Dri Corporation of America Annual Incentive Plan (hereafter "Incentive Bonus"), and director cash compensation, including but not limited to, retainers, annuity payments, meeting fees, and consulting fees, payable to a Participant by the Company or an Employer. Employee compensation is determined before giving effect to Elective Deferrals and other salary reduction amounts which are not included in the Participant's gross income under Code sections 125, 132(f)(4), 401(k), 402(h) or 403(b).

2.8 **Earnings** means the Company's long-term borrowing cost in effect during the Plan Year for which Earnings are being credited plus one percent.

2.9 **Effective Date** means January 1, 2008; provided that the terms of this Plan shall apply to benefits that were earned or became vested on and after January 1, 2005.

2.10 **Election Form** means the participation election form as approved and prescribed by the Plan Administrator.

2.11 **Elective Deferral** means the portion of Compensation which is deferred by a Participant under Section 4.1.

2.12 **Eligible Employee or Director** generally means each employee of an Employer who is at a salary grade of Grade 11 or higher (Grade 10 or higher prior to January 1, 2007) at the time he or she elects to make Elective Deferrals or a non-employee who is a member of the Company's Board of Directors. The Company reserves the right to from time to time extend eligibility to participate in the Plan to a management employee of an Employer who is at a salary grade less than Grade 11 (Grade 10 prior to January 1, 2007).

2.13 **Employer** means the Company or any Affiliate which adopts the Plan with the consent of the Company.

2.14 **ERISA** means the Employee Retirement Income Security Act of 1974, as amended from time to time. Reference to any section or subsection of ERISA includes reference to any comparable or succeeding provisions of any legislation which amends, supplements or replaces such section or subsection.

2.15 **Insolvent** means either (i) the Company is unable to pay its debts as they become due, or (ii) the Company is subject to a pending proceeding as a debtor under the United States Bankruptcy Code.

2.16 **Participant** means any individual who participates in the Plan in accordance with Article 3.

2.17 **Plan** means the Oil-Dri Corporation of America 2005 Deferred Compensation Plan and all amendments thereto.

2.18 **Plan Administrator** means the person, persons or entity designated by the Company from time to time to administer the Plan. If no such person, persons or entity is so serving at any time, the Company shall be the Plan Administrator.

2.19 **Plan Year** means the 12-month period beginning January 1 and ending December 31.

2.20 **Separation from Service** means the Participant's death, retirement or other termination of employment with the Company and all Affiliates. For purposes of this definition, a "termination of employment" shall occur when the facts and circumstances indicate that the Company and the employee reasonably anticipate that no further services would be performed by the employee for the Company or any Affiliate after a certain date or that the level of bona fide services the employee would perform after such date (whether as an employee or as an independent contractor), would permanently decrease to no more than 20% of the average level of bona fide services performed (whether as an employee or as an independent contractor) over the immediately preceding thirty-six (36)-month period (or full period of services to the Company and all Affiliates if the employee has been providing services to the Company less than thirty-six (36) months).

2.21 **Specified Employee** means an employee of the Company or an Employer who is a "key employee" under Code Section 416(i)(1)(A)(i), (ii) or (iii) (applied in accordance with the regulations thereunder and disregarding Code Section 416(i)(5)) at any time during the twelve (12)-month period ending on the preceding December 31. An employee as of a particular December 31 who has been determined to have satisfied the above definition of "key employee" shall be a Specified Employee during the twelve (12)-month period commencing on the April 1 next following such determination date and ending on the following March 31.

2.22 **Total and Permanent Disability** means:

a. The Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months; or
b. The Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under the Company's short term or long term disability plan; or
c. The Participant is determined to be totally disabled by the Social Security Administration.

2.23 **Unforeseen Emergency** has the meaning set forth in Section 7.8.

ARTICLE 3 - PARTICIPATION

3.1 Commencement of Participation

Any individual who elects to defer part of his or her Compensation in accordance with Section 4.1 shall become a Participant in the Plan as of the date such deferrals commence in accordance with Section 4.1.

3.2 Continued Participation

A Participant in the Plan shall continue to be a Participant so long as any amount remains credited to his or her Account.

ARTICLE 4 - ELECTIVE DEFERRALS

4.1 Elective Deferrals

An individual who is an Eligible Employee or Director on or after January 1, 2005, may elect to defer a percentage or dollar amount of one or more payments of Compensation, on such terms as the Plan Administrator may permit, which are for services to be performed by the Participant in the next succeeding Plan Year by completing an Election Form and filing it with the Plan Administrator on or before December 31st (or such earlier date as established by the Plan Administrator) of the year preceding such Plan Year. A Participant other than a non-employee director may elect to defer only up to 50% of base salary, provided that such deferral shall equal a minimum of $5,000, and up to 100% of any Incentive Bonus. A Participant who is a non-employee director may elect to defer all or any part of such Participant's Compensation. Any individual who becomes an Eligible Employee or Director after the Effective Date may, by completing an Election Form and filing it with the Plan Administrator within 30 days after becoming an Eligible Employee or Director, elect to defer a percentage or dollar amount of one or more payments of Compensation, on such terms as the Plan Administrator may permit, which are for services to be performed by the Participant after the date on which the individual files the Election Form. Any Eligible Employee or Director who has not otherwise initially elected to defer Compensation in accordance with this Section 4.1 may elect to defer a percentage or dollar amount of one or more payments of Compensation, on such terms as the Plan Administrator may permit, commencing with Compensation paid in the next succeeding Plan Year, by completing an Election Form and filing it with the Plan Administrator on or before December 31st (or such earlier date as established by the Plan Administrator) of the year preceding such Plan Year. A Participant's Compensation shall be reduced in accordance with the Participant's election hereunder and amounts deferred hereunder shall be credited to the Participant's Account as of the date the amounts would have been paid to the Participant absent the deferral election. Elective Deferrals shall not be in effect for any Participant during any period in which such Participant is eligible to receive benefits under the Company's long term disability plan.

An election to defer a percentage or dollar amount of Compensation for any Plan Year shall apply for only such Plan Year. For each succeeding Plan Year an Eligible Employee or Director must make a new deferral election by completing and filing with the Plan Administrator an Election Form on or before December 31st (or such earlier date as established by the Plan Administrator) preceding that Plan Year.

ARTICLE 5 - ACCOUNTS

5.1 Accounts

The Plan Administrator shall establish a bookkeeping Account for each Participant reflecting Elective Deferrals made for the Participant's benefit and any distributions to the Participant, together with any adjustments for Earnings. The Plan Administrator shall provide the Participant as soon as practicable after the end of the Plan Year with a statement of his or her Account as of the last business day of the Plan Year, reflecting the amounts of deferrals, Earnings, and distributions of such Account since the prior statement.

5.2 Earnings Credited

Each Participant's Account shall be adjusted at the end of each Plan Year for Earnings, which shall be calculated at a rate equal to the Company's long-term borrowing cost in effect during the Plan Year plus one percent.

ARTICLE 6 - VESTING

6.1 General

A Participant shall be immediately vested in and, subject to Participant's elections as to time and form of payment under Section 7.1, shall have a nonforfeitable right to, all Elective Deferrals and all Earnings attributable thereto credited to his or her Account.

ARTICLE 7 - PAYMENTS

7.1 Election as to Time and Form of Payment

A Participant shall elect on the Election Form the date at which the Elective Deferrals (including any Earnings attributable thereto) will commence to be paid to the Participant. Such date must be at least five years following the date at which such Elective Deferrals commence or the date of Separation from Service.

The Participant shall also elect thereon for payments to be paid in either:

a. a single lump sum; or
b. annual installments over a period elected by the Participant up to 15 years, the amount of each installment to equal the balance of his or her Account immediately prior to the installment divided by the number of installments remaining to be paid ("Annual Installments").

If Elective Deferrals (including any Earnings attributable thereto) are to be paid upon the Participant's Separation from Service, such payment will be paid (or begin to be paid) as soon as practicable following the six month anniversary of such Separation from Service. If payments upon Separation from Service are to be made in annual installments, the initial annual installment will be paid as soon as practicable following the six month anniversary of the Participant's Separation from Service, the second annual installment will be paid as soon as practicable following the one year anniversary of such Separation from Service, and subsequent annual installments will be paid annually thereafter as soon as practicable following the yearly anniversary of such Separation from Service.

Each such election will be effective only for deferrals (including any Earnings attributable thereto) for the Plan Year for which it is made. Except as otherwise provided in Sections 7.3, 7.4, 7/5. 7.6, 7.7 or 7.8, payment of a Participant's Account shall be made in accordance with the Participant's elections under this Section 7.1. Such elections will be irrevocable except as provided in Section 7.2 below.

7.2 409A Transition Rule Election

A Participant may elect to change the time and form of payment of Elective Deferrals on or before December 31, 2008 by completing a new Election Form; provided, however, that any new Election Form may only apply to amounts that would not otherwise be payable during 2008 and may not cause an amount to be paid during 2008 that would otherwise not be paid during 2008. For the avoidance of doubt, all elections as to the time and form of payment of Elective Deferrals will be irrevocable on and after January 1, 2009.

7.3 Change of Control

The Plan will terminate upon a Change of Control that is also a change in the ownership or effective control of the Company (as defined in Treasury Regulation §1.409A-3(i)(5)). Immediately prior to the consummation of a transaction resulting in such a Change of Control or, if not possible, as soon as possible following such a Change of Control, each Participant shall be paid his or her entire Account balance in a single lump sum.

7.4 Separation from Service Prior to Age 55

Upon a Participant's Separation from Service for any reason other than death prior to the attainment of age 55, the Participant's entire Account shall be paid to the Participant in a single lump sum as soon as practicable following the six month anniversary of such Separation from Service.

7.5 Separation from Service at or after Age 55

Upon a Participant's Separation from Service for any reason other than death at or after the attainment of age 55, the Participant's Account shall be paid (or begin to be paid) to the Participant in the form elected by the Participant under Section 7.1 as soon as practicable following the six month anniversary of such Separation from Service.

7.6 Disability

If a Participant suffers a Total and Permanent Disability prior to the complete distribution of his or her Account balance, the following provisions shall apply:

a. If the Participant is receiving disability benefits under the Company's short-term or long-term disability plan, the Participant will be treated as actively employed and payment from the Participant's account shall not be made. The Participant may, at his or her election, apply for payment because of Unforeseen Emergency under Section 7.8.

b. If disability benefits under the Company's disability plans cease due to recovery from the Total and Permanent Disability, and the Participant does not return to employment with an Employer, the Participant's Account shall be paid to the Participant as provided in Section 7.4 or 7.5.

7.7 Death

If a Participant dies prior to the complete distribution of his or her Account, the balance of the Account shall be paid, according to the Participant's irrevocable election on the Election Form, in the form elected by the Participant to the Participant's designated beneficiary or beneficiaries.

Any designation of beneficiary shall be made by the Participant on a designation/change of beneficiary form filed with the Plan Administrator and may be changed by the Participant at any time by filing another designation/change of beneficiary form containing the revised instructions. If no beneficiary is designated or no designated beneficiary survives the Participant, payment shall be made to the Participant's surviving spouse, or, if none, to his or her issue per stirpes, in a single payment. If no spouse or issue survives the Participant payment shall be made in a single lump sum to the Participant's estate.

7.8 Unforeseen Emergency

If a Participant suffers an Unforeseen Emergency, as defined herein, the Plan Administrator, in its sole discretion, may pay to the Participant only that portion, if any, of his or her Account which the Plan Administrator determines is necessary to satisfy the emergency need, including at the discretion of the Plan Administrator any amounts necessary to pay any federal, state and local income taxes reasonably anticipated to result from the distribution.

A Participant requesting emergency payment shall apply for the payment in writing in a form approved by the Plan Administrator and shall provide such additional information as the Plan Administrator may require. For purposes of this section, Unforeseen Emergency means a severe financial hardship resulting from any of the following:

a. an illness or accident of the Participant, the Participant's spouse or the Participant's dependent (as defined in Code Section 152(a);

b. loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by insurance, for example, as a result of a natural disaster); or

c. other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

7.9 Taxes

All federal, state and local taxes that the Plan Administrator determines are required to be withheld from any payments made pursuant to this Article 7 shall be withheld.

7.10 Claims Procedure

A Claimant may file a claim for benefits with the Plan Administrator, in such form as permitted by the Plan Administrator. The claim will be evaluated and a decision rendered within ninety (90) days, unless special circumstances require an additional ninety (90) day extension of time.

A Claimant shall be given written notice of whether the claim is granted or denied, in whole or in part, including (1) specific reasons for the denial, (2) references to pertinent Plan provisions on which the denial is based, (3) a description of any additional material or information necessary to perfect the claim and explanation as to why necessary, and (4) the Claimant's right to seek review of the denial.

If denied, in whole or in part, the Claimant may make a written request for review of such denial to the Plan Administrator within 60 days after receipt of the denial, and may include pertinent documents, issues and comments to aid the Plan Administrator. The request will be evaluated and a decision rendered within sixty (60) days, unless special circumstances require an additional sixty (60) day extension of time. The written decision will specify reasons for the decision and references to Plan provisions upon which the decision is based.

A Claimant who fails to file a claim, or submit a timely request for review of an initial claim shall have no right to review and shall have no right to bring action in any court. The denial of the claim shall be final and binding on all persons for all purposes.

7.11 Section 162(m) Limitations

In the event that any amount to be paid pursuant to Section 7.1, 7.4, 7.5, 7.6, 7.7 or 7.8 would, in the Company's judgment, result in the non-deductibility, under Section 162(m) of the code, of any portion of such Participant's income payable by or attributable to the Company for the year in which such amount is to be paid, such amount shall not be paid in such year. Such nondeductible amount shall be payable in the following calendar year, as an addition to the annual installment scheduled to be paid in such following calendar year, if applicable, subject to the provisions of this Section 7.10.

ARTICLE 8 - PLAN ADMINISTRATOR

8.1 Plan Administration and Interpretation

The Plan Administrator shall oversee the administration of the Plan. The Plan Administrator shall have complete control and authority to determine the rights and benefits and all claims, demands and actions arising out of the provisions of the Plan of any Participant, beneficiary, deceased Participant, or other person having or claiming to have any interest under the Plan. The Plan Administrator shall have complete discretion to interpret the Plan and to decide all matters under the Plan. Such interpretation and decision shall be final, conclusive and binding on all Participants and any person claiming under or through any Participant, in the absence of clear and convincing evidence that the Plan Administrator acted arbitrarily and capriciously. Any individual(s) serving as Plan Administrator who is a Participant will not vote or act on any matter relating solely to himself or herself. In such case, the Company will appoint an individual to act as Plan Administrator to take such actions. When making a determination or calculation, the Plan Administrator shall be entitled to rely on information furnished by a Participant, a beneficiary or the Company. The Plan Administrator shall have the responsibility for complying with any reporting and disclosure requirements of ERISA.

8.2. Powers, Duties, Procedures, Etc.

The Plan Administrator shall have such powers and duties, may adopt such rules and tables, may act in accordance with such procedures, may appoint such officers or agents, may delegate such powers and duties, may receive such reimbursements, and shall follow such claims and appeal procedures with respect to the Plan as it may establish.

8.3 Information

To enable the Plan Administrator to perform its functions, the Company shall supply full and timely information to the Plan Administrator on all matters relating to the compensation of Participants, their employment, retirement, death, Separation from Service, and such other pertinent facts as the Plan Administrator may require.

8.4 Indemnification of Plan Administrator

The Company agrees to indemnify and to defend to the fullest extent permitted by law any officer(s) or employee(s) who serve as Plan Administrator (including any such individual, whether a present or former employee, who formerly served as Plan Administrator) against all liabilities, damages, costs and expenses (including attorneys' fees and amounts paid in settlement of any claims approved by the Company) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE 9 - AMENDMENT AND TERMINATION

9.1 Amendments

The Company shall have the right to amend the Plan from time to time, subject to Section 9.3, by an instrument in writing which has been executed on the Company's behalf by its Chief Executive Officer or another executive officer of the Company, with the specific approval of the board of directors or an authorized committee of the board of directors.

9.2 Termination of Plan

This Plan is strictly a voluntary undertaking on the part of the Company and shall not be deemed to constitute a contract between the Company and any Eligible Employee or Director (or any other employee) or a consideration for or condition of employment or an inducement for the performance of services by an Eligible Employee or Director (or other employee). The Company reserves the right to terminate the Plan at any time, subject to Section 9.3, by an instrument in writing which has been executed on the Company's behalf by its Chief Executive Officer or another executive officer of the Company, with the specific approval of the board of directors or an authorized committee of the board of directors; provided, however, that distributions upon termination may only occur in accordance with Treasury Regulation §1.409A-3. In addition, the Plan shall terminate upon a Change of Control in accordance with Section 7.3.

9.3 Existing Rights

No amendment or termination of the Plan shall adversely affect the rights of any Participant with respect to amounts that have been credited to his or her Account prior to the date of such amendment or termination.

ARTICLE 10 - MISCELLANEOUS

10.1 No Funding

The Plan constitutes a mere promise by the Company to make payments in accordance with the terms of the Plan and Participants and beneficiaries shall have the status of general unsecured creditors of the Company. Nothing in the Plan will be construed to give any employee or any other person rights to any specific assets of the Company or of any other person. In all events, it is the intent of the Company that the Plan be treated as unfunded for tax purposes and for purposes of Title I of ERISA.

10.2 Non-assignability

None of the benefits, payments, proceeds or claims of any Participant or beneficiary shall be subject to any claim of any creditor of any Participant or beneficiary, nor shall any Participant or beneficiary have any right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments or proceeds which he or she may expect to receive, contingently or otherwise, under the Plan.

10.3 Limitation of Participant's Rights

Nothing contained in the Plan shall confer upon any person a right to be employed or to continue in the employ of an Employer, or interfere in any way with the right of an Employer to terminate the employment of a Participant in the Plan at any time, with or without cause.

10.4 Participants Bound

Any action with respect to the Plan taken by the Company or the Plan Administrator or any action authorized by or taken at the direction of the Company or the Plan Administrator shall be conclusive upon all Participants and beneficiaries entitled to benefits under the Plan.

10.5 Receipt and Release

Any payment to any Participant or beneficiary in accordance with the provisions of the Plan shall, to the extent thereof, be in satisfaction of claims against the Company and/or the Plan Administrator under the Plan, and the Plan Administrator may require such Participant or beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect. If any Participant or beneficiary is determined by the Plan Administrator to be incompetent by reason of physical or mental disability, including minority, to give a valid receipt and release, the Plan Administrator may cause payment or payments becoming due to such person to be made to another person for his or her benefit without responsibility on the part of the Plan Administrator or the Company to follow the application of such funds.

10.6 Governing Law

The Plan shall be construed, administered, and governed in all respects under and by the laws of the state of Illinois. If any provision shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof shall continue to be fully effective.

10.7 Headings and Subheadings

Headings and subheadings in this Plan are inserted for convenience only and are not to be considered in the construction of the provisions thereof.

Exhibit 10.4:

Oil-Dri Corporation of America
Annual Incentive Plan
(As Amended and Restated Effective January 1, 2008)

I. Purpose. To provide eligible Salaried Employees with an annual incentive opportunity based on the potential contribution level of each position and to reward individuals for outstanding Company and individual performance, thereby allowing the Company to attract and retain the high quality of human resources needed to successfully operate its business.

II. Definitions.

A. Base Salary means the regular base salary actually paid by the Company to a participant during the Fiscal Year while the participant was an active employee or on authorized leave of absence, subject to the following:

(i) The base salary for a participant on a military leave of absence granted under the Company's military leave policy shall be adjusted to include the base salary which the participant would have received during the Fiscal Year had he or she not been on military leave;

(ii) The base salary for a participant on an authorized leave of absence, other than a military leave, who is receiving compensation from a third party on account of such authorized leave of absence (for example, payment from the Company's workers' compensation insurance carrier or a state disability insurance program) shall be adjusted to include up to three months, but no more than three months, of the base salary which the participant would have received during the Fiscal Year had he or she not been on authorized leave of absence.

Base Salary also includes overtime pay received by a participant who is not exempt from the overtime pay requirements of the Fair Labor Standards Act. Base Salary does not include: Plan awards; other incentive awards or bonuses, whether short or long-term in nature; commissions; disability benefit payments or salary paid for a period exceeding three months while a participant is on an authorized leave of absence (or multiple leaves of absence), other than a military leave; imputed income from such programs as life insurance; or nonrecurring payments. Base Salary is determined without regard to any reductions for such items as before-tax contributions under Sections 401(k), 125 and 129 (flexible benefit plan contributions, including FSAs), or 132 (qualified transportation expenses) of the Internal Revenue Code of 1986, as amended, or income deferred under a non-qualified deferred compensation plan sponsored by the Company, or similar reductions under the tax laws of other countries.

B. CEO means the Chief Executive Officer of the Company.

C. Compensation Committee means the Compensation Committee of the Company's Board of Directors.

D. Company means Oil-Dri Corporation of America and its subsidiaries participating in the Plan, as may be designated by the CEO from time to time, and their respective successors and legal representatives.

E. Corporate Financial Performance refers to the relationship between the Company's designated performance targets and the achievement of, or failure to achieve, those targets.

F. Executive Officers means the Company's executive officers as defined in the Securities Exchange Act of 1934, as amended, and the rules thereunder, as well as the Company's controller or other principal accounting officer.

G. Fiscal Year means the Company's Fiscal Year beginning August 1 and ending July 31.

H. Plan means the Oil-Dri Corporation of America Annual Incentive Plan as amended from time to time.

I. Salaried Employee means a regular full- or part-time employee hired by the Company prior to July 1st of the Fiscal Year and paid on a salaried basis or paid on an hourly basis for clerical or professional duties. The term does not include employees paid on an hourly basis for work which is not clerical or professional, temporary employees, interns, and individuals classified by the Company as independent contractors.

J. Special Performance refers to the relationship between an individual's, department's or division's designated performance targets and the achievement of, or failure to achieve, those targets.

III. Employees Covered By This Plan. This Plan covers, for any Fiscal Year, those Salaried Employees designated as participants by the CEO. The CEO also shall be a participant in the Plan unless the Compensation Committee, due to its approval of an alternative short-term incentive arrangement or otherwise, determines that the CEO shall not be covered by the Plan for a particular Fiscal Year or particular Fiscal Years.

IV. Performance Measures, Targets and Payout Ranges. The performance measures, targets and payout ranges used under the Plan for incentive purposes shall be established for each Fiscal Year based on the Company's annual business plan. The performance measures, targets and payout ranges shall be approved by the CEO.

V. Role of Compensation Committee.

A. The Compensation Committee is responsible to set the compensation payable to the CEO, including compensation payable under the Plan; the CEO shall have no discretion to make adjustments to awards payable to himself under the Plan.

B. The CEO is responsible to supervise compensation payable under the Plan and to exercise authority and discretion as specified in the Plan for all other employees, including the Executive Officers, except as specified below in sub-section C. and in the second paragraph of Section X.

C. The Compensation Committee shall have the general authority to review and determine the reasonableness of the Target Bonus as a Percent of Base Salary, performance measures and payout ranges (and any changes thereto) under the Plan, as these relate to the total compensation of the Executive Officers.

VI. Corporate Financial Performance Award. Up to 100% of a participant's bonus opportunity may be based upon Corporate Financial Performance.

A participant in the Plan shall be entitled to a Corporate Financial Performance Award computed in accordance with the following formula:

Percent of Target Bonus Subject to Corporate Financial Performance	x	Target Bonus as a Percent of Base Salary	x	Percent of Corporate Financial Performance Bonus Earned	x	Base Salary	=	Corporate Financial Performance Award

Where:

- "Percent of Target Bonus Subject to Corporate Financial Performance" shall range from 0% to 100% and may vary from Fiscal Year to Fiscal Year.

- "Target Bonus as a Percent of Base Salary" is determined for the particular position or salary grade for each Fiscal Year.

- "Target Bonus" is a participant's Target Bonus as a Percent of Base Salary multiplied by the participant's Base Salary. If corporate target(s) and individual and/or departmental or divisional targets are achieved but not exceeded in a Fiscal Year, a participant's combined Corporate Financial Performance Bonus, Special Performance Bonus and Executive Deferred Bonus will be 100% of Target Bonus, subject to the participant's satisfaction of all requirements for entitlement and any adjustments made due to extraordinary circumstances or otherwise.

- "Base Salary" is defined in Section II A.

- "Percent of Corporate Financial Performance Bonus Earned" ranges from 0% to 200% and is determined by the relationship of actual achievement to targeted achievement at the corporate level. Actual achievement which is below the range of Corporate Financial Performance established for awards will result in no award based on that particular financial measure or combination of measures. For actual performance within the established range of Corporate Financial Performance, a payout range (which may vary from 0% to 200% of Target Bonus) is established. The relationship of actual achievement to the performance range will be determined based on guidelines established each year.

VII. Special Performance Award. A participant may be eligible for an award dependent on Special Performance which may include or may be exclusively individual, departmental and/or divisional performance. Participant eligibility for a Special Performance Award is determined by the CEO or his or her designee. Up to 100% of a participant's bonus opportunity may based upon Special Performance.

For each participant who is eligible for a Special Performance Award, individual, departmental and/or divisional goals shall be established for the Fiscal Year and communicated to the participant. After the end of a Fiscal year, each participant's achievement of such goals will be evaluated and a Special Objectives Achievement Percentage from 0% to 200% will be recommended, reflecting the achievement of the individual, departmental and/or divisional goals during such Fiscal Year.

A participant shall be entitled to a Special Performance Award computed as follows:

Percent of Target Bonus Subject to Special Performance	x	Target Bonus as a Percent of Base Salary	x	Percent of Special Objectives Earned	x	Base Salary	=	Special Performance Award

Where:

- "Percent of Bonus Subject to Special Performance" shall range from 0% to 100% and may vary from Fiscal year to Fiscal Year.

- "Target Bonus as a Percent of Base Salary" is determined for the particular position or salary grade each Fiscal Year

- "Target Bonus" is a participant's Target Bonus as a Percent of Salary multiplied by the participant's Base Salary. If corporate target(s) and individual and/or departmental or divisional goals are achieved but not exceeded in a Fiscal Year, a participant's combined Corporate Financial Performance Bonus, Special Performance Bonus and Executive Deferred Bonus will be 100% of Target Bonus, subject to the participant's satisfaction of all requirements for entitlement and any adjustments made due to extraordinary circumstances or otherwise.

- "Base Salary" is defined in Section II A.

- "Percent of Special Objectives Earned " is determined by the performance of the individual, department and/or division against established special goals. The percent earned may also be dependent on established levels of Corporate Financial Performance. The Percent of Special Objectives Earned may range from 0% to 200% if the Special Performance Bonus and the Corporate Financial Performance Bonus are independent of one another. If the Special Performance Bonus and the Corporate Financial Performance Bonus are integrated, the Percent of Special Objectives Earned may be negative so that the total bonus earned may be as low as zero.

VIII. Executive Deferred Bonus Award. Participant eligibility for an Executive Deferred Bonus Award is determined by the CEO or his or her designee. Up to 100% of a participant's bonus opportunity may be in the form of an Executive Deferred Bonus. Payment of Executive Deferred Bonus Awards is deferred until the vesting date(s) established for each Fiscal Year's award.

A participant in the Plan shall be entitled to an Executive Deferred Bonus Award computed in accordance with the following formula:

Percent of Target Bonus Payable as Executive Deferred Bonus	x	Target Bonus as a Percent of Base Salary	x	Percent of Executive Deferred Bonus Earned	x	Base Salary	=	Executive Deferred Bonus Award

Where:

- “Percent of Target Bonus Payable as Executive Deferred Bonus” shall range from 0% to 100% and may vary from Fiscal Year to Fiscal Year.

- “Target Bonus as a Percent of Base Salary” is determined for the particular position or salary grade for each Fiscal Year.

- “Target Bonus” is a participant’s Target Bonus as a Percent of Salary multiplied by the participant’s Base Salary. If corporate target(s) and individual and/or departmental or divisional goals are achieved but not exceeded in a Fiscal Year, a participant’s combined Corporate Financial Performance Bonus, Special Performance Bonus and Executive Deferred Bonus will be 100% of Target Bonus, subject to the participant’s satisfaction of all requirements for entitlement and any adjustments made due to extraordinary circumstances or otherwise.

- “Base Salary” is defined in Section II A.

- “Percent of Executive Deferred Bonus Earned” ranges from 0% to 200% and is determined by the relationship of actual achievement to targeted achievement of established goals. Goals may be Corporate Financial Performance goals, special performance goals for the participant and/or the participant’s department or division or a combination of Corporate Financial Performance and special performance goals. A specific level of Corporate Financial Performance may be required before any Executive Deferred Bonus can be awarded. For actual performance within the established goals, a payout range (which may vary from 0% to 200% of Target Bonus) is established. The CEO has complete discretion to adjust individual awards downward or upward, depending on the participant’s individual performance and/or the performance of the participant’s department or division. The relationship of actual achievement to the performance range will be determined based on guidelines established each year.

Accounts and Interest:

- The Company shall establish a bookkeeping account for each participant reflecting Executive Deferred Bonus Awards and any distributions to the participant, together with any adjustments for earnings.

- Until distributed, Executive Deferred Bonus Awards shall earn interest at a rate equal to the Company’s long-term borrowing cost plus one percent.

- The Company shall provide each participant as soon as practicable after the end of each Fiscal Year with a statement of his or her account as of the last business day of the Fiscal Year, reflecting the amounts of Executive Deferred Bonus awarded, interest, and distributions of such account since the prior statement.

Payout of Executive Deferred Bonus Awards:

- Executive Deferred Bonus Awards shall vest (become payable) according to the vesting schedule established for each Fiscal Year. Awards shall be paid as soon as administratively practicable after they vest but in no event later than March 15th of the calendar year following the calendar year in which they vest.

- Except as specified below, no Executive Deferred Bonus Award shall be paid to any participant who is not employed by the Company on the date the award vests. However, awards shall be immediately 100% vested and immediately payable except as otherwise indicated below if the participant:

  - Dies;

  - Retires and (1) he or she is eligible for an immediate benefit under a Company sponsored defined benefit pension plan and (2) his or her age plus years of service on the date of retirement equals at least 80; provided, however, that such award shall not be payable until six months and one day following the date of such participant’s Separation from Service (defined below). A termination for cause or for poor performance will not be considered a retirement regardless of the age or years of service of the participant;

- Becomes permanently disabled as defined under the Company's long-term disability plan; provided that for any payment that has not otherwise vested in the ordinary course to be made before the participant incurs a Separation from Service (as defined below), the participant's disability must also constitute a disability within the meaning of Code Section 22(e)(3).

- "Separation from Service" means the participant's death, retirement or other termination of employment with the Company and all affiliates. For purposes of this definition, a "termination of employment" shall occur when the facts and circumstances indicate that the Company and the employee reasonably anticipate that no further services would be performed by the employee for the Company or any affiliate after a certain date or that the level of bona fide services the employee would perform after such date (whether as an employee or as an independent contractor), would permanently decrease to no more than 20% of the average level of bona fide services performed (whether as an employee or as an independent contractor) over the immediately preceding thirty-six (36)-month period (or full period of services to the Company and all affiliates if the employee has been providing services to the Company less than thirty-six (36) months).

In addition, awards shall be immediately 100% vested and payable upon a change in control of the Company as defined in the Company's 2006 Long Term Incentive Plan that is also a change in the ownership or effective control of the Company (as defined in Treasury Regulation §1.409A-3(i)(5)).

IX. Individual Discretionary Adjustment. The CEO may at his or her sole discretion increase or decrease any participant's Percent of Corporate Financial Performance Bonus Earned by up to 25 points, provided that: (a) the Company achieves the minimum level of performance necessary to achieve an award for Corporate Financial Performance; (b) the combination of any Corporate Financial Performance, Special Performance and Executive Deferred Bonus Award(s) after giving effect to the individual discretionary adjustment would not exceed 200% of the participant's Target Bonus; and (c) any such increases or decreases will not increase or decrease the total dollar amount of awards earned under the Plan by all participants. For example, if, per the Corporate Financial Performance measure(s), 75% of the Corporate Financial Performance Bonus has been earned, the CEO may adjust a participant's Percent of Corporate Financial Performance Bonus Earned to as little as 50% or as much as 100%.

X. Changes to Target and Other Adjustments. The CEO may at any time prior to the final determination of awards, change the performance measures, targets and payout ranges used for incentive purposes if, in the judgment of the CEO, such change is desirable in the interest of equitable treatment of the participants and the Company as a result of extraordinary or nonrecurring events, changes in applicable accounting rules or principles, changes in the Company's methods of accounting, changes in applicable law, changes due to consolidation, acquisitions, reorganization, stock split or stock dividends, combination of shares or other changes in the Company's corporate structure or shares, significant, unanticipated changes in general economic or market conditions, or any other change in circumstances or event.

Further, the CEO may at his or her discretion adjust, upward or downward, any award otherwise payable under the Plan, provided that after such adjustment the total of all awards to the participant under the Plan would not exceed 200% of the participant's Target Bonus and further provided that any such adjustment of an award to the CEO shall be determined by the Compensation Committee and any such adjustment of an award to an Executive Officer shall be reviewed for reasonableness by the Compensation Committee.

Further, the Compensation Committee may, for a specific Fiscal Year or Fiscal Years, grant to the CEO discretionary authority to make adjustments, including adjustments in addition to those stated in the Plan, to the performance measure(s), targets and payout ranges, or awards to individual participants including the Executive Officers, provided that in no event will the CEO be granted authority to make total awards under the Plan to any participant which exceed 200% of the participant's Target Bonus.

XI. Computation and Disbursement of Awards. As soon as administratively practicable after the close of a Fiscal Year, the CEO or his or her designee will review and approve for each participant a final Corporate Financial Performance Award; a Special Objectives Achievement Percentage and Special Performance Award, if any; an Executive Deferred Bonus Award, if any; and an Individual Discretionary Award, if any. Payment of the awards shall be made thereafter. All payments of awards shall be subject to applicable payroll taxes and withholding.

XII. Partial Awards. A participant who is not an active employee for the entire Fiscal Year shall be entitled to payment of a partial award computed in accordance with Sections VI, VII, VIII and IX and based on Base Salary for the Fiscal Year if, prior to the end of such Fiscal Year, the participant:

- Dies;

- Retires at or after age 55 with at least 10 years of service or at or after age 60 with at least five years of service. A termination for cause or for poor performance will not be considered a retirement regardless of the age or years of service of the participant;

- Becomes permanently disabled as defined under the Company's long-term disability plan;

- Transfers to a position not eligible for participation in the Plan;

- Enters active duty military service in the Armed Forces of the United States;

- Takes an approved leave of absence,

provided that the participant was an active employee for a minimum of three consecutive calendar months during such Fiscal Year. Such partial awards shall be paid when payments of awards for such Fiscal Year are made, or such earlier date as may be approved by the CEO.

An employee who is hired as a Salaried Employee during the first eleven months of a Fiscal Year, who is designated as eligible to participate, and who is employed through the end of such Fiscal Year shall be eligible for an award based on his or her Base Salary during such Fiscal Year while eligible to participate. An employee who is transferred during a Fiscal Year to a position as a Salaried Employee eligible to participant in the Plan from another position with the Company or its subsidiaries and who is employed through the end of such Fiscal Year shall be eligible for an award based on his or her Base Salary during such Fiscal Year while eligible to participate, regardless of when the transfer takes place.

No partial award shall be payable under any circumstances other than those described in this Section, except with the express approval of the CEO.

XIII. Employment on Payment Date Requirement. Except as specified in Sections VIII and XII above, no award shall be payable to any participant who is not employed by the Company on the date payment of awards for the Fiscal Year being paid is made, except with the express approval of the CEO.

XIV. Administration. This Plan shall be administered by the Human Resources Department of the Company, subject to the control and supervision of the CEO. The CEO shall have discretionary authority to construe and interpret the Plan and decide all cases of eligibility and entitlement to benefits. Such determinations shall be final and binding.

XV. No Employment Contract or Obligation to Continue Plan. Participation in this Plan shall not confer upon any participant any right to continue in the employ of the Company nor interfere in any way with the right of the Company to terminate any participant's employment at any time. The Company is under no obligation to continue the Plan in future Fiscal Years.

XVI. Amendment or Termination. The Company may at any time (a) amend, alter or modify the provisions of this Plan, (b) terminate this Plan, or (c) terminate the participation of a group of employees in this Plan provided, however, that in the event of termination of this Plan or a termination of the participation of a group of employees without cause, the Company shall provide partial awards to the affected participants for the portion of the Fiscal Year during which such employees were participants in this Plan, in a manner which the Company, in its sole judgment, determines to be equitable to such participants and the Company.

XVII. General Provisions.

A. No rights under this Plan shall be assignable, either voluntarily or involuntarily by way of encumbrance, pledge, attachment, levy or charge of any nature (except as may be required by state or federal law).

B. Nothing in this Plan shall require the Company to segregate or set aside any funds or other property for the purpose of paying any portion of an award. No participant, beneficiary or other person shall have any right, title or interest in any amount awarded under the Plan prior to the payment of such award, or in any property of the Company or its affiliates.

Exhibit 10.5:

FIRST AMENDMENT TO
OIL-DRI CORPORATION OF AMERICA
2006 LONG TERM INCENTIVE PLAN
(As Amended and Restated July 28, 2006)

The Oil-Dri Corporation of America 2006 Long Term Incentive Plan, as amended and restated July 28, 2006, (the "Plan"), is hereby further amended as set forth herein. All capitalized terms not defined herein shall have the meaning set forth in the Plan.

1. Section 2 is amended, effective January 1, 2008, to revise the definition of "Disability" to read as follows:

"**Disability**" means a determination of disability under the Company's long term disability plan, or in the case of a Participant who is not a participant in that plan, a mental or physical condition which, in the opinion of the Committee, renders a Participant unable or incompetent to carry out the job or Outside Director responsibilities which such Participant held or the duties to which such Participant was assigned at the time the disability was incurred, and which is expected to be permanent or for an indefinite duration. For purposes of extended exercisability of Incentive Stock Options under Section 12.1, or the payment to a Participant of any amount subject to Code Section 409A prior to such Participant's Separation from Service, "disability" means a disability within the meaning of Code Section 22(e)(3).

2. Section 2 is amended, effective January 1, 2008, to revise the definition of "Retirement" to read as follows:

"**Retirement**" means, (i) for a Participant who is an Employee, the Participant's termination of employment (or Separation from Service in the case of Restricted Stock Units or any award subject to Code Section 409A) as a result of the Participant's retirement when (I) the Participant is eligible for an immediate benefit under a Company sponsored defined benefit pension plan and (II) the Participant's age plus years of service on the date of retirement equal at least eighty (80), and (ii) for a Participant who is an Outside Director, the Participant's termination of service as a director that occurs after the completion of three (3) years of service (whether before or after the date of a particular Award) as a director of the Company; provided that any interval of less than one (1) year extending from the date of one annual meeting of stockholders of the Company to the date of the next such meeting shall qualify as one year for this purpose.

3. Section 2 is amended, effective January 1, 2008, to add a new definition of "Separation from Service" to read as follows:

"**Separation from Service**" means the Participant's death, retirement or other termination of employment with the Company and all Affiliates. For purposes of this definition, a "termination of employment" shall occur when the facts and circumstances indicate that the Company and the employee reasonably anticipate that no further services would be performed by the employee for the Company or any Affiliate after a certain date or that the level of bona fide services the employee would perform after such date (whether as an employee or as an independent contractor), would permanently decrease to no more than 20% of the average level of bona fide services performed (whether as an employee or as an independent contractor) over the immediately preceding thirty-six (36)-month period (or full period of services to the Company and all Affiliates if the employee has been providing services to the Company less than thirty-six (36) months).

4. Section 2 is amended, effective January 1, 2008, to add a new definition of "Specified Employee" to read as follows:

"**Specified Employee**" means an employee of the Company who is a "key employee" under Code Section 416(i)(1)(A)(i), (ii) or (iii) (applied in accordance with the regulations thereunder and

disregarding Code Section 416(i)(5)) at any time during the twelve (12)-month period ending on the preceding December 31. An employee as of a particular December 31 who has been determined to have satisfied the above definition of "key employee" shall be a Specified Employee during the twelve (12)-month period commencing on the April 1 next following such determination date and ending on the following March 31.

5. Section 10.3 is amended, effective January 1, 2008, to read as follows:

10.3 Payment of Performance Awards. Within 2 1/2 months after the end of each Performance Period, the Committee shall pay to the Participant in cash or in shares of Stock (as determined by the Committee in its sole discretion) the value (if any) attributable to the performance Award in accordance with the performance measures set forth in the applicable Award Agreement. Any performance Award with respect to which the performance goals have not been achieved by the end of the applicable measuring period shall expire without any value.

6. Section 15 is amended, effective January 1, 2008, so that the initial paragraph thereof reads as follows:

In the event of a Change in Control, all Awards under the Plan shall vest 100%, and all Options shall become exercisable in full. To the extent that an Award under the Plan is subject to the provisions of Code Section 409A, and to the extent that 100% vesting results in an immediate payment of such Award, such immediate payment shall only occur if such Change in Control is also a change in the ownership or effective control of the Company (as defined in Treasury Regulation §1.409A-3(i)(5)). The benefit payable with respect to any performance Award with respect to which the Performance Period has not ended as of the date of such Change in Control shall be equal to the product of the grant value assigned to each Award multiplied successively by each of the following:

7. Section 19.2 is amended, effective January 1, 2008, to read as follows:

19.2 Code Section 409A.

To the extent applicable, it is intended that this Plan shall comply with the provisions of Code Section 409A, and this Plan shall be construed and applied in a manner consistent with this intent. In the event that any payment or benefit under this Plan is determined by the Committee to be in the nature of a deferral of compensation under Code Section 409A, the Company shall take such actions as it reasonably determines to be necessary to ensure that such payments comply with the applicable provisions of Code Section 409A and the Treasury Regulations thereunder.

If the Participant is a Specified Employee, if the payment or delivery of equity under this Plan is on account of the Participant's Separation from Service, and if the Committee determines that such payment or delivery of equity under this Plan constitutes the payment in the nature of a deferral of compensation under Code Section 409A, the Committee shall make such payment or delivery as soon as practicable after the earlier to occur of the Participant's death or the 6 month anniversary of such Separation from Service.

IN WITNESS WHEREOF, the Company has caused this First Amendment to be adopted by the Board of Directors this 4th day of December, 2007, and executed by the signature of a duly authorized executive officer to be effective as provided herein.

COMPANY:

OIL-DRI CORPORATION OF AMERICA

By: /s/ Charles P. Brissman

Charles P. Brissman
Vice President, Secretary and General Counsel

Date: December 19, 2007

Attest By: /s/ Maryon L. Gray
Maryon L. Gray
Assistant General Counsel and
Assistant Secretary

Exhibit 11:

OIL-DRI CORPORATION OF AMERICA AND SUBSIDIARIES
Computation of Earnings Per Share
(in thousands except for per share amounts)

	Six months Ended January 31	
	2008	2007
Net income available to stockholders (numerator)	**$ 4,573**	$ 3,610
Shares Calculation (denominator)		
Average shares outstanding - Basic Common	**5,033**	4,861
Average shares outstanding - Basic Class B Common	**1,846**	1,810
Effect of Dilutive Securities:		
Potential Common Stock relating to stock options	**317**	281
Average shares outstanding - Assuming dilution	**7,196**	6,952
Net Income Per Share: Basic Common	**$ 0.70**	$ 0.58
Net Income Per Share: Basic Class B Common	**$ 0.57**	$ 0.43
Diluted	**$ 0.64**	$ 0.52

Exhibit 31:

CERTIFICATIONS PURSUANT TO RULE 13A -14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED
Certification of Principal Executive Officer
(Section 302 of the Sarbanes-Oxley Act of 2002)

I. I, Daniel S. Jaffee, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oil-Dri Corporation of America (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 7, 2008
By: /s/ Daniel S. Jaffee

Daniel S. Jaffee
President and Chief Executive Officer

Exhibit 31 (continued):

Certification of Principal Financial Officer
(Section 302 of the Sarbanes-Oxley Act of 2002)

I. I, Andrew N. Peterson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oil-Dri Corporation of America (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 7, 2008

By: /s/ Andrew N. Peterson

Andrew N. Peterson
Vice President and Chief Financial Officer

Exhibit 32:

CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO THE SARBANES-OXLEY ACT OF 2002 CERTIFICATION

Certification

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Oil-Dri Corporation of America (the "Company") hereby certifies that to the best of my knowledge the Company's Quarterly Report on Form 10-Q for the quarter ended January 31, 2008 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Dated: March 7, 2008

/s/ Daniel S. Jaffee
Name: Daniel S. Jaffee
Title: President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Oil-Dri Corporation of America and will be retained by Oil-Dri Corporation of America and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Report or as a separate disclosure document.

Certification

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Oil-Dri Corporation of America (the "Company") hereby certifies that to the best of my knowledge the Company's Quarterly Report on Form 10-Q for the quarter ended January 31, 2008 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Dated: March 7, 2008

/s/ Andrew N. Peterson
Name: Andrew N. Peterson
Title: Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Oil-Dri Corporation of America and will be retained by Oil-Dri Corporation of America and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Report or as a separate disclosure document.