

# **O·I·CORPORATION**

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## **O.I. CORPORATION ANNOUNCES RESULTS FOR FIRST QUARTER 2004**

College Station, Texas, May 7, 2004 -- O.I. Corporation (NASDAQ Symbol: OICO) today reported results for the three months ended March 31, 2004.

### **For the First Quarter Ended March 31, 2004**

Revenue was \$6,394,000 for the first quarter of 2004, compared to \$6,422,000 for the same period of the prior year. Net income for the quarter was \$426,000, compared to \$358,000 for the same period of the prior year. Diluted earnings per share were \$0.15 per share, compared to \$0.13 per share for the same period of 2003.

William W. Botts, President, said,

“We are pleased with the first quarter results. The increased net income was achieved despite flat sales and resulted primarily from improved product mix and increased sales of the MINICAMS<sup>®</sup> Air-Monitoring Systems and newly-introduced Eclipse Purge-and-Trap Sample Concentrator. We are especially pleased that net income increased considering R&D expenses increased and charges were incurred from our investment in Intelligent Ion. Even though sales were flat in the first quarter, we believe the performance was satisfactory because we began the first quarter of 2004 with an order backlog of \$3,172,000, compared to a backlog of \$5,327,000 for the same period of the prior year.

We incurred a \$74,000 expense for the first quarter of 2004 due to the equity accounting method for our 13.8% investment in Intelligent Ion, whereas we had no such expense in 2003 until the fourth quarter. We continue to be optimistic about the prospects of applying technology under development by Intelligent Ion for use in potential new products, which we plan for homeland defense and security needs.

Our announced plan to increase R&D efforts resulted in R&D expenses of \$734,000 in the first quarter of 2004, compared to \$680,000 in the same period of the prior year. Our plan is to develop innovative new products to stimulate demand in slow-growth markets and to develop products that we believe fulfill needs in the homeland defense and security market.

We are cautiously optimistic due to an increasing number of reports that point to an improved economy, however, we continue to remain guarded about near-term market conditions. We plan to continue to execute our strategy of investing in R&D even at the expense of reduced operating results, including the possibility of incurring an operating loss. In addition, we continue to pursue acquisition opportunities relating to product lines or businesses that fit with our product strategy for the future. We believe that our current cash, investments, and cash flow will provide us with the resources to execute this plan. As the economic cycle improves, we intend to be in position to launch new products, applications, and services that add value to our customers’ businesses and that address the public’s increasing concerns for the quality of the water we drink and the air we breathe.”

**O.I. CORPORATION  
FINANCIAL HIGHLIGHTS**

	Three Months Ended March 31	
	2004	2003
Net revenues	\$ 6,394,000	\$ 6,422,000
Income (loss) before income taxes	\$ 645,000	\$ 572,000
Provision (benefit) for income taxes	\$ 219,000	\$ 214,000
Net income (loss)	\$ 426,000	\$ 358,000
Weighted average shares, basic	2,764,000	2,759,000
Basic earnings (loss) per share	\$ 0.15	\$ 0.13
Weighted average shares, diluted	2,847,000	2,768,000
Diluted earnings (loss) per share	\$ 0.15	\$ 0.13

O.I. Corporation provides innovative products for chemical analysis. The products are used to perform sample preparation, detection, analysis, measurement, and monitoring applications in food, beverage, pharmaceutical, semiconductor, power generation, chemical, petrochemical, and defense industries. Headquartered in College Station, Texas, the Company's products are sold worldwide by a direct sales force, independent sales representatives and distributors.

*This press release includes certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.*