

O·I·CORPORATION

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NEWS RELEASE

O.I. CORPORATION ANNOUNCES RESULTS FOR THE SECOND QUARTER OF 2005

College Station, Texas, August 9, 2005 – O.I. Corporation (NASDAQ Symbol: OICO) today announced results for the three and six months ended June 30, 2005.

For the Second Quarter Ended June 30, 2005

Net revenues decreased 4.2% to \$7,024,000 for the second quarter, compared to \$7,329,000 for the same period of the prior year. Net income was \$442,000 and diluted earnings per share were \$0.15, compared to \$515,000 and \$0.18, respectively, for the same period of the prior year.

For the Six Months Ended June 30, 2005

Net revenues were \$14,724,000 for the six months ended June 30, 2005, compared to \$13,723,000 for the same period of the prior year. Year-to-date net income was \$1,063,000, and diluted earnings per share were \$0.37, compared to net income of \$941,000, and diluted earnings per share of \$0.33 for the same period of the prior year.

William W. Botts, president, said,

“We are disappointed with lower revenues and income; however, our second quarter results were achieved in spite of delays in customer orders and research and development (R&D) expenses increasing by 32%.

Our R&D program has delivered positive results as demonstrated by customer acceptance of our Eclipse sample concentrator introduced in 2003. In March 2005, we also introduced two new products; the Aurora Total Organic Carbon Analyzer and the Discrete Automated Chemistry Analyzer. These products perform important water quality measurements in a number of markets, including ultra pure water used in the pharmaceutical industry, drinking water, wastewater, nutrients in surface water, and phenols and cyanide in industrial water.

We are excited about the development of new mass spectrometer (MS) technology for use in a MS product that will help protect our scarce resources of clean and safe air and water. Our MS project was delayed because certain MS components were to be provided by a third party under a development agreement, and agreed upon development milestones under this agreement were not met. In January of 2005, we began work internally to complete this project.

As we look to the future, we see an increasing trend of customers placing orders requesting immediate delivery. Such market behavior can result in a reduced order backlog, which increases the risk of quarterly revenue fluctuations and, accordingly, increases the risk of a down quarter in revenue when compared to a prior period. Therefore, we are cautious, as we look to the second half of 2005. We believe we have the financial resource to execute our strategy even if we might encounter periods of lower revenue, which might result in a quarterly or yearly operating loss.

We plan to continue executing our strategy to acquire and/or develop new and innovative products to stimulate growth in mature markets and to enter new markets including those that require chemical analysis to help protect and secure the air we breath and water we drink.”

FINANCIAL HIGHLIGHTS

	Three Months Ended June 30		Six Months Ended June 30	
	2005	2004	2005	2004
Net revenues	\$ 7,024,000	\$ 7,329,000	\$14,724,000	\$13,723,000
Income before provision for income taxes	596,000	779,000	1,512,000	1,424,000
Provision for income taxes	154,000	264,000	449,000	483,000
Net income	442,000	515,000	1,063,000	941,000
Weighted average shares, basic	2,837,467	2,783,218	2,811,651	2,773,687
Basic earnings per share	\$0.16	\$0.19	\$0.38	\$0.34
Weighted average shares, diluted	2,898,336	2,861,367	2,888,318	2,854,106
Diluted earnings per share	\$0.15	\$0.18	\$0.37	\$0.33

O.I. Corporation provides innovative products for chemical analysis. The Company’s products perform sample preparation, detection, analysis, measurement, and monitoring applications in the 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. See "Risk Factors and Cautionary Statement Regarding Forward-Looking Statements" in the Company's form 10-K for the year ended December 31, 2004.