
O·I·CORPORATION

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O.I. CORPORATION ANNOUNCES RESULTS FOR FIRST QUARTER 2006

College Station, Texas, May 5, 2006 -- O.I. Corporation (NASDAQ Symbol: OICO) today reported results for the three months ended March 31, 2006.

For the First Quarter Ended March 31, 2006

Revenue increased 1.4% to \$7,809,000 for the first quarter of 2006, compared to \$7,700,000 for the same period of the prior year. Net income for the quarter was essentially the same at \$622,000, compared to \$620,000 for the same period of the prior year. Diluted earnings per share were \$0.21 per share, compared to \$0.21 per share for the same period of the prior year.

In the quarter ended March 31, 2006, the Company implemented SFAS 123(R), an accounting policy that requires expensing stock options, and accordingly, the Company incurred approximately \$17,000 of related compensation expense in the quarter.

William W. Botts, President, said: -

"We are pleased to report our revenue and net income results for the first quarter ended March 31, 2006. Revenue was up due to increased shipments of water-testing products and billing for product research and engineering services under a previously announced Letter Contract with Wyle Laboratories, Inc., which more than offset lower revenues of MINICAMS air-monitoring products. Sales of MINICAMS products typically have long-purchase cycles and are difficult to predict because after quotations are provided certain government buyers provide no visibility as to the timing of order placement. We begin the second quarter in 2006 with the lowest MINICAMS products backlog in several years. In order to achieve MINICAMS shipments consistent with prior periods, we will have to capture new orders that can be shipped by the end of the second quarter.

In the first quarter of each calendar year, the analytical industry's major trade show, Pittcon, is a showcase for companies to introduce new products. We are pleased to report that we introduced a new Automated Chemistry Analyzer, which provides rapid analysis of nutrients in water, and that it was well received by customers. Also, at the show, we received positive feedback from existing and potential new customers on our Purge and Trap Sample Concentrator and Total Organic Carbon Analyzer, both of which are used to detect organic compounds in water.

Work is proceeding on schedule under a contract announced on February 3, 2006, to provide product research and engineering services to Wyle Laboratories, Inc. for development of a next generation Total Organic Carbon Analyzer (TOCA) for use on the International Space Station. In the quarter ended March 31, 2006, we had billings under the contract amounting to approximately \$408,000. We remain

optimistic that work funded under this contract will result in advanced technology that can be used in our existing products and become the basis of new products.

Our efforts to develop new mass spectrometry technology have not proceeded as planned because of difficulty in achieving sensitivity with the Ion-CCD detector necessary to perform applications in the market we targeted. We are working to resolve these technical problems and at the same time considering applications for the technology based on its current capability.

We are pleased that the Board of Directors announced on March 24, 2006 the Company's first dividend policy and declared a \$.05 dividend per share payable on April 21, 2006, to shareholders of record at the close of business on April 7, 2006.

We continue to focus on internal growth opportunities as well as to pursue acquisition opportunities that fit with our strategic plan. As we look to the future, our goal is to be positioned with 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	
	2006	2005
Net revenues	\$ 7,809,000	\$ 7,700,000
Income before income taxes	\$ 888,000	\$ 915,000
Provision for income taxes	\$ 266,000	\$ 295,000
Net income	\$ 622,000	\$ 620,000
Weighted average shares, basic	2,859,000	2,817,000
Basic earnings per share	\$ 0.22	\$ 0.22
Weighted average shares, diluted	2,940,000	2,904,000
Diluted earnings per share	\$ 0.21	\$ 0.21

O.I. Corporation, dba OI Analytical, provides innovative products used for chemical analysis. The Company develops, manufactures, sells, and services analytical instrumentation that detects, measures, analyzes, and monitors chemicals in liquids, solids, and gases. The Company provides application-specific solutions for the environmental, defense, pharmaceutical, food, beverage, petrochemical, chemical, semiconductor, power generation, and HVAC industries. Headquartered in College Station, Texas, the Company's products are sold worldwide by direct sales, 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.