

O·I·CORPORATION

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NEWS RELEASE

O.I. CORPORATION ANNOUNCES RESULTS FOR THE SECOND QUARTER OF 2006

College Station, Texas, August 9, 2006 – O.I. Corporation (NASDAQ Symbol: OICO) today announced results for the three and six months ended June 30, 2006.

For the Second Quarter Ended June 30, 2006

Net revenues for the second quarter ended June 30, 2006 were \$6,615,000, compared to \$7,024,000 for the same period of the prior year. Net income was \$198,000, and diluted earnings per share were \$0.07, compared to \$442,000 and \$0.15, respectively, for the same period of the prior year.

For the Six Months Ended June 30, 2006

Net revenues were \$14,424,000 for the six months ended June 30, 2006, compared to \$14,724,000 for the same period of the prior year. Year-to-date net income was \$820,000, and diluted earnings per share were \$0.28, compared to net income of \$1,063,000 and diluted earnings per share of \$0.37 for the same period of the prior year.

William W. Botts, president, said,

“We are disappointed with the second quarter results. We believe sales are lower because of reduced market demand for our products and a lower backlog at the beginning of the second quarter, compared to the prior year.

On May 17, 2006, we announced receiving a \$3.2M order for MINICAMS products. We are currently planning to ship this order complete no later than March 31, 2007. Only a small portion of the order was shipped in the second quarter of 2006.

During the quarter, we continued to conduct research and development work under a contract for development of a next generation Total Organic Carbon Analyzer (TOCA) for use on the International Space Station. Services provided under the contract resulted in revenue of approximately \$474,000 in the quarter ended June 30, 2006 and \$882,000 year-to-date.

Our research work to develop new mass-spectrometry technology for use in products requiring rapid response and low-power consumption is taking longer than we had planned. We believe the upside potential for the technology is significant if we can achieve the target design specifications; therefore, we remain committed to the development of this new technology.

We are cautious, as we look to the second half of 2006, because of the soft market we experienced in the second quarter and the potential impact of higher interest rates on capital equipment purchases. Our strategy is to focus on internal growth opportunities as well as to pursue acquisition opportunities that fit with our strategic plan. We believe we have the financial resources to execute our strategy even if we encounter periods of lower revenue. 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."

FINANCIAL HIGHLIGHTS

	Three Months Ended June 30		Six Months Ended June 30	
	2006	2005	2006	2005
Net revenues	\$ 6,615,000	\$ 7,024,000	\$14,424,000	\$14,724,000
Income before provision for income taxes	374,000	596,000	1,263,000	1,512,000
Provision for income taxes	176,000	154,000	443,000	449,000
Net income	198,000	442,000	820,000	1,063,000
Weighted average shares, basic	2,845,526	2,837,467	2,853,488	2,811,651
Basic earnings per share	\$0.07	\$0.16	\$0.29	\$0.38
Weighted average shares, diluted	2,923,180	2,898,336	2,933,632	2,888,318
Diluted earnings per share	\$0.07	\$0.15	\$0.28	\$0.37

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 products used to digest, extract, and separate components of chemical mixtures. 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. See "Risk Factors and Cautionary Statement Regarding Forward-Looking Statements" in the Company's form 10-K for the year ended December 31, 2005.