

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Quarter Ended April 30, 1995 Commission File Number 0-8675

OIL-DRI CORPORATION OF AMERICA
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
Incorporation or organization)

36-2048898
(I.R.S. Employer
Identification No.)

410 North Michigan Avenue
Chicago, Illinois
(Address of principal executive offices)

60611
(Zip Code)

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

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 - 5,118,824 Shares (Including 332,196 Treasury Shares)
Class B Stock - 2,114,694 Shares

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Consolidated Statement of Financial Position
ASSETS

	April 30 (Unaudited)		July 31
	1995	1994	1994
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 7,245,120	\$ 8,474,756	\$ 6,394,315
Investment Securities, at Cost	1,602,028	4,760,889	3,351,423
Accounts Receivable	22,686,856	20,863,356	19,854,899
Allowance for Doubtful Accounts	(603,482)	(242,618)	(171,940)
Inventories	10,551,549	9,916,081	11,203,008
Prepaid Expenses and Taxes	6,642,597	4,142,662	3,730,298
Total Current Assets	48,124,668	47,915,126	44,362,003

PROPERTY, PLANT AND EQUIPMENT - AT COST

Cost	105,551,718	95,043,969	100,192,811
Less Accumulated Depreciation and Amortization	(45,543,896)	(38,186,425)	(39,949,247)
Total Property, Plant and Equipment, Net	60,007,822	56,857,544	60,243,564

OTHER ASSETS

Excess of Investment in
Subsidiaries

Over Fair Value of Assets (Net
of Accumulated Amortization)

Other	4,337,514	4,469,515	4,436,334
	3,755,190	3,290,638	3,225,281
Total Other Assets	8,092,704	7,760,153	7,661,615

TOTAL ASSETS	\$116,225,194	\$112,532,823	\$112,267,182
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OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Consolidated Statement of Financial Position
LIABILITIES & STOCKHOLDERS EQUITY

	April 30 (Unaudited)		July
	1995	1994	1994
CURRENT LIABILITIES			
Current Maturities of Notes Payable	\$ 597,959	\$ 1,279,361	\$ 1,243,479
Accounts Payable - Trade	4,893,316	4,527,369	4,677,793
Dividends Payable	518,836	468,859	449,302
Accrued Expenses	9,222,145	9,530,770	9,230,664
Total Current Liabilities	15,232,256	15,806,359	15,601,238
NONCURRENT LIABILITIES			
Notes Payable	20,925,659	21,524,621	21,521,243
Deferred Income Taxes	325,406	754,796	323,379
Deferred Compensation	1,722,484	1,580,151	1,761,818
Other	273,706	-	-
Total Noncurrent Liabilities	23,247,255	23,859,568	23,606,440
Total Liabilities	38,479,511	39,665,927	39,207,678
STOCKHOLDERS EQUITY			
Common Stock	723,352	723,336	723,352
Paid-In Capital in Excess of Par Value	7,657,394	7,654,851	7,657,394
Retained Earnings	75,449,203	68,850,188	70,077,278
Cumulative Translation Adjustment	(996,222)	(1,049,054)	(1,135,951)
Total Stockholders Equity	82,833,727	76,179,321	77,322,073
Less Treasury Stock, At Cost	(5,088,044)	(3,312,425)	(4,262,569)
Total Stockholders Equity	77,745,683	72,866,896	73,059,504
TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$116,225,194	\$112,532,823	\$112,267,182

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Consolidated Statement of Income and Retained Earnings
Nine Months Ended April 30

	1995 (Unaudited)	1994 (Unaudited)
Net Sales	\$109,360,556	\$108,274,994
Cost Of Sales	81,371,973	78,624,184
Gross Profit	27,988,583	29,650,810
Selling, General And Administrative Expenses	17,281,450	17,953,434
Operating Income	10,707,133	11,697,376
OTHER INCOME (EXPENSE)		
Interest Expense	(1,457,217)	(1,213,222)
Interest Income	286,137	262,981
Foreign Exchange Gain (Loss)	(4,514)	5,111
Other, Net	(168,325)	85,962
	(1,343,919)	(859,168)
Income Before Income Taxes	9,363,214	10,838,208
Income Taxes	2,430,985	2,656,933
Net Income	6,932,229	8,181,275
RETAINED EARNINGS		
Balance at Beginning of Year	70,077,278	62,031,814
Less Cash Dividends Declared	(1,560,304)	(1,362,901)
Retained Earnings - April 30	\$75,449,203	\$68,850,188
Average Shares Outstanding	6,947,709	7,017,894
Net Income Per Share	\$1.00	\$1.17

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
 Consolidated Statement of Income and Retained Earnings
 Three Months Ended April 30

	1995 (Unaudited)	1994 (Unaudited)
Net Sales	\$34,732,345	\$37,270,906
Cost of Sales	26,750,874	27,998,348
Gross Profit	7,981,471	9,272,558
Selling, General And Administrative Expenses	5,411,016	5,952,705
Operating Income	2,570,455	3,319,853
OTHER INCOME (EXPENSE)		
Interest Expense	(472,309)	(409,423)
Interest Income	118,797	86,135
Foreign Exchange Gain (Loss)	6,735	(431)
Other, Net	(99,417)	89,862
	(446,194)	(233,857)
Income Before Income Taxes	2,124,261	3,085,996
Income Taxes	584,254	730,008
Net Income	\$ 1,540,007	\$ 2,355,988
Average Shares Outstanding	6,928,923	7,014,995
Net Income Per Share	\$ 0.22	\$ 0.34

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
Consolidated Statement of Cash Flows
For the Nine Months Ended April 30

	1995	1994
	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$6,932,229	\$8,181,275
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	5,796,844	4,748,936
Provision for bad debts	38,843	56,487
(Increase) Decrease in:		
Accounts Receivable	(2,397,324)	(2,492,384)
Inventories	687,155	(1,904,614)
Prepaid Expenses and Taxes	(2,932,901)	(1,607,148)
Other Assets	(475,768)	(381,839)
Increase (Decrease) in:		
Accounts Payable	212,120	(942,454)
Accrued Expenses	15,262	1,208,227
Deferred Taxes and Noncurrent Income Taxes	-	(461,144)
Deferred Compensation	(39,334)	200,205
Other	273,706	-
Total Adjustments	1,178,603	(1,575,728)
Net Cash Used In Operating Activities	8,110,832	6,605,547
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	(5,464,611)	(8,169,961)
Purchases of Investment Securities	(2,781,036)	(8,014,406)
Dispositions of Investment Securities	4,534,553	8,726,762
Other	19,698	295,175
Net Cash Used in Investing Activities	(3,691,396)	(7,162,430)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Long-Term Debt	(1,241,104)	(741,319)
Proceeds from Issuance of Long-Term Debt	-	5,036,745
Proceeds from Issuance of Common Stock	-	697,899
Dividends Paid	(1,496,951)	(1,346,791)
Foreign Currency Translation Adjustment	(5,101)	18,493
Purchases of Treasury Stock	(825,475)	(944,618)
Net Cash Used In Financing Activities	(3,568,631)	2,720,409
Net (Decrease) in Cash and Cash Equivalents	850,805	2,163,526
Cash and Cash Equivalents, Beginning of Year	6,394,315	6,311,230
Cash and Cash Equivalents, April 30	\$7,245,120	\$8,474,756

MANAGEMENT DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NINE MONTHS ENDED APRIL 30, 1995 COMPARED TO NINE
MONTHS ENDED APRIL 30, 1994

RESULTS OF OPERATIONS

Consolidated net sales for the nine months ended April 30, 1995 were \$109,361,000, an increase of 1.0% over net sales of \$108,275,000 in the first nine months of fiscal 1994. Net income for the first nine months of fiscal 1995 was \$6,932,000 or \$1.00 per share, a decrease of 15.3% from \$8,181,000 or \$1.17 per share earned in the nine months ended April 30, 1994.

Domestic and U.S. Export Sales

Domestic net sales of industrial and environmental sorbents decreased \$724,000 (5.1%) from prior years levels. Sales of industrial clay sorbents decreased slightly by \$229,000 (2.5%) while sales of non-clay sorbents decreased \$495,000 (10.1%) from the same period last year. The non-clay sorbents market continues to exhibit increasing competition in the markets in which the Company participates. Domestic net sales of cat box absorbents increased \$1,405,000 (2.7%) from the same period last year. This growth is the result of increased shipments of scoopable cat litters in both grocery and mass merchandise markets, and increased sales of coarse cat litters in the mass merchandise market, predominantly private labels. Domestic net sales of agricultural products decreased \$1,016,000 (7.0%) from the same period last fiscal year due to production schedule changes at certain agricultural chemical producers. Sales of specialty absorbents, primarily fluid filtration and purification products decreased \$416,000 (5.3%) from fiscal 1994 due primarily to reduced demand associated with high quality crude oil being refined and the effect of increased competition. Sales by the Companys transportation subsidiary increased \$740,000 due to expansion of the fleet.

Gross Margins

Consolidated gross profits as a percentage of net sales for the nine months ended April 30, 1995 decreased to 25.6% from 27.4% in the first nine months of fiscal 1994. A number of factors contributed to this decline, including a) changes in sales mix towards lower margin products, particularly in the consumer market, b) increased costs of packaging materials and transportation which, due to competitive pressures, have not been fully recovered in the form of price increases, and, c) in the third quarter, reduced production, resulting in lower absorption of fixed overhead.

Operating and Expenses and Interest

Operating expenses as a percentage of net sales decreased to 15.8% in the nine months ended April 30, 1995 from 16.6% in the same period last year. This change reflects continued selling and administrative cost controls. Interest expense increased \$244,000 due to increased average debt outstanding. Interest income increased slightly from fiscal 1994 due to interest rate increases.

Taxes

The Companys effective tax rate was 26.0% of income in the first nine months of fiscal 1995 as compared to 24.5% in the same period last year. This change is a result of two factors: a lower share of domestic income was subject to depletion allowances and a greater share of total income was earned by higher tax paying foreign subsidiaries.

Balance Sheet

Total assets of the Company increased \$3,958,000 from fiscal year end balances. Current assets increased \$3,763,000 from year end due to higher accounts receivable, inventory and prepaid balances. Property, plant and equipment, net of accumulated depreciation, decreased \$236,000.

Total liabilities decreased \$728,000 in the nine months ended April 30, 1995. Current liabilities decreased \$369,000 while non-current liabilities decreased \$359,000 from July 31, 1994.

Outlook for the Coming Quarter

The Company anticipates that sales for the last quarter of the fiscal year will not materially change from the same period in fiscal 1994. With the leveling of sales in the quarter, earnings are not anticipated to exceed those of the fourth quarter of fiscal 1994.

LIQUIDITY AND CAPITAL RESOURCES

The current ratio increased to 3.16 at April 30, 1995 from 2.84 at July 31, 1994. Working capital increased \$4,131,000 in the nine months ended April 30, 1995 to \$32,892,000. Cash provided by operations continues to be the Company's primary source of funds to finance operating needs and capital expenditures. During the first nine months of the fiscal year, balances of cash equivalents and other investments increased \$851,000. Cash provided by operating activities was used to fund capital expenditures of \$5,465,000, to pay dividends of \$1,497,000, to reduce long-term debt by \$1,241,000 and to repurchase shares of the Company's common stock at a cost of \$825,000. Total cash and investment balances held by the Company's foreign subsidiaries at April 30, 1995 and 1994 were \$2,898,000 and \$4,276,000 respectively.

THREE MONTHS ENDED APRIL 30, 1995 COMPARED TO THREE MONTHS ENDED APRIL 30, 1994

RESULTS OF OPERATIONS

Consolidated net sales for the three months ended April 30, 1995 were \$34,732,345 a decrease of 7.3% from net sales of \$37,271,000 in the same period last year. Net income for the quarter ended April 30, 1995 was \$1,540,000 or \$0.22 per share, a decrease of 34.6% from net income of \$2,356,000 or \$0.34 per share reported in the quarter ended April 30, 1994.

Domestic and U.S. Export Sales

Domestic net sales of industrial and environmental sorbents decreased \$543,000 (10.3%). Sales of industrial clay sorbents decreased \$217,000 (6.4%). Sales of non-clay sorbents decreased \$326,000 (17.2%). Domestic net sales of cat box absorbents, agricultural products and specialty absorbents decreased \$1,539,000 (9.5%), \$604,000 (11.5%) and \$64,000 (14.0%) respectively in the third quarter of fiscal 1995 compared to the same period last year. Sales by transportation services increased \$413,000 (17.3%) in the third quarter of fiscal 1995 as compared to the third quarter of fiscal 1994.

The decrease in sales of cat box absorbents was related to two factors: a) changes in the timing and extent of promotional activities scheduled during this year's third quarter vs. last year, and b) milder weather than during the same period last year, reducing demand for cat litter as a traction aid. Other factors contributing to these quarterly variations are substantially the same as those noted above for the first 9 months of the fiscal year.

Gross Profits

Gross profit for the three months ended April 30, 1995 decreased to 23.0% of sales as compared to 24.9% in the third quarter of fiscal 1994.

Operating Expenses and Interest

Operating expenses decreased slightly to 15.6% of sales in the third quarter of fiscal 1995 from 16.0% in the same period last year. Interest expense in the third quarter of fiscal 1995 compared to the third quarter of fiscal 1994 increased \$63,000. Interest income increased \$33,000 in the same period.

Taxes

The Company's effective tax rate in the third quarter of fiscal 1995 was 27.5% of income as compared to 23.7% in the same period last year.

FOREIGN OPERATIONS

The Company's net sales by its foreign subsidiaries for the nine months ended April 30, 1995 were \$8,625,000 constituting 7.9% of sales. This represents an increase of \$907,000 or 11.8% from the first nine months of fiscal 1994 in which foreign subsidiary sales were \$7,718,000 and constituted 7.1% of sales. This increase is primarily due to increased sales of cat box absorbents in Canada. Net income of the Company's foreign subsidiaries for the nine months ended April 30, 1995 was \$358,000 compared with \$206,000 in the first nine months of fiscal 1994. Identifiable assets of the Company's foreign subsidiaries as of April 30, 1995 were \$9,408,000 a slight decrease from 9,608,000 as of July 31, 1994.

The Company's net sales by its foreign subsidiaries for the three months ended April 30, 1995 were \$2,727,000 constituting 7.9% of sales. This represents an increase of \$169,000 or 6.6% from the third quarter of fiscal 1994 in which foreign subsidiary sales were \$2,558,000 and constituted 6.9% of sales. Net income of the Company's foreign subsidiaries for the three months ended April 30, 1995 was \$137,100 compared with \$49,000 in the third quarter of fiscal 1995.

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/ Donald J. Deegan
Donald J. Deegan
Director of Finance and Accounting,
Chief Accounting Officer

BY /s/ Richard M. Jaffee
Richard M. Jaffee
President

Dated: June 5, 1995

OIL-DRI CORPORATION OF AMERICA
 Computation of Weighted Average Number
 of Shares Outstanding

Quarter End	Period	Number of Days	Number of Shares Outstanding	Weighted Shares	Average Shares- (Weighted Shares) Number of Days As Adjusted
April 30, 1995	02/01/95 to 2/28/95	28	6,949,822	194,595,016	
	03/01/95 to 3/01/95	1	6,946,922	6,946,922	
	03/02/95 to 3/02/95	1	6,945,922	6,945,922	
	03/03/95 to 3/05/95	3	6,943,922	20,831,766	
	03/06/95 to 3/06/95	1	6,942,722	6,942,722	
	03/07/95 to 3/07/95	1	6,936,522	6,936,522	
	03/08/95 to 3/09/95	2	6,934,822	13,869,644	
	03/10/95 to 3/13/95	4	6,932,822	27,731,288	
	03/14/95 to 3/14/95	1	6,932,322	6,932,322	
	03/15/95 to 3/15/95	1	6,931,322	6,931,322	
	03/16/95 to 3/19/95	4	6,929,822	27,719,288	
	03/20/95 to 3/20/95	1	6,928,822	6,928,822	
	03/21/95 to 3/21/95	1	6,928,322	6,928,322	
	03/22/95 to 3/22/95	1	6,927,822	6,927,822	
	03/23/95 to 3/23/95	1	6,927,322	6,927,322	
	03/24/95 to 3/26/95	3	6,911,322	20,733,966	
	03/27/95 to 4/30/95	35	6,901,322	241,546,270	
		89		616,375,258	6,925,565

Assuming exercise of options reduced by the number of shares which could have been purchased with the proceeds from exercise of such options.

3,358

6,928,923

April 30, 1995	02/01/94 to 3/21/94	49	6,998,285	342,915,965	
	03/22/94 to 4/30/94	40	6,999,966	279,998,640	
		89		622,914,605	6,999,041

Assuming exercise of options reduced by the number of shares which could have been purchased with the proceeds from exercise of such options.

15,954

7,014,995

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 APR-30-1995
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