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, 1999 Commission File Number 0-8675

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

DELAWARE	36-2048898
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)

410 North Michigan Avenue Chicago, Illinois	60611
(Address of principal executive offices)	(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 - 5,470,252 Shares (Including 1,092,160 Treasury Shares)
Class B Stock - 1,765,266 Shares (Including 342,241 Treasury Shares)

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS OF DOLLARS)
(UNAUDITED)

ASSETS	April 30 1999	July 31 1998
CURRENT ASSETS		
Cash and Cash Equivalents	$ 4,983	$ 9,410
Investment Securities	1,225	1,173
Accounts Receivable	25,271	24,561
Allowance for Doubtful Accounts	(383)	(351)
Inventories	15,016	13,258
Prepaid Expenses and Taxes	5,962	5,558
Total Current Assets	52,074	53,609
PROPERTY, PLANT AND EQUIPMENT - AT COST		
Cost	132,056	126,378
Less Accumulated Depreciation and		

Amortization	(69,354)	(63,493)
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	62,702	62,885
OTHER ASSETS		
Goodwill & Intangibles (Net of Accumulated Amortization)	9,899	8,963
Deferred Income Taxes	3,736	3,697
Other	4,908	5,061
TOTAL OTHER ASSETS	18,543	17,721
TOTAL ASSETS	$133,319	$134,215

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS OF DOLLARS)
(UNAUDITED)

LIABILITIES & STOCKHOLDERS' EQUITY	APRIL 30 1999	JULY 31 1998
CURRENT LIABILITIES		
Current Maturities of Notes Payable	$ 3,277	$ 2,084
Accounts Payable	3,651	4,416
Dividends Payable	490	444
Accrued Expenses	7,212	10,024
Special Charge Reserve	225	358
TOTAL CURRENT LIABILITIES	14,855	17,326
NONCURRENT LIABILITIES		
Notes Payable	39,050	39,976
Deferred Compensation	3,108	3,174
Other	1,867	1,931
TOTAL NONCURRENT LIABILITIES	44,025	45,081
TOTAL LIABILITIES	58,880	62,407
STOCKHOLDERS' EQUITY		
Common and Class B Stock	724	724
Paid-In Capital in Excess of Par Value	7,702	7,702
Restricted Unearned Stock Compensation	(19)	(51)
Retained Earnings	89,236	85,158
Cumulative Translation Adjustment	(1,128)	(1,151)
	96,515	92,382
Less Treasury Stock, At Cost	(22,076)	(20,574)
TOTAL STOCKHOLDERS' EQUITY	74,439	71,808
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$133,319	$134,215

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
(IN THOUSANDS, EXCEPT FOR PER SHARE AMOUNTS)
(UNAUDITED)

	FOR THE NINE MONTHS ENDED APRIL 30	
	1999	1998
NET SALES	$133,510	$118,995
Cost Of Sales	91,202	81,615
GROSS PROFIT	42,308	37,380
Selling, General And Administrative Expenses	32,704	28,550
Special Charge	--	3,129
INCOME FROM OPERATIONS	9,604	5,701
OTHER INCOME (EXPENSE)		
Interest Expense	(2,401)	(1,253)
Interest Income	385	307
Other, Net	103	(329)
TOTAL OTHER EXPENSE, NET	(1,913)	(1,275)
INCOME BEFORE INCOME TAXES	7,691	4,426
Income Taxes	2,192	1,261
NET INCOME	5,499	3,165
RETAINED EARNINGS		
Balance at Beginning of Year	85,158	82,243
Less Cash Dividends Declared	1,421	1,364
RETAINED EARNINGS - APRIL 30	$ 89,236	$ 84,044
NET INCOME PER SHARE:		
BASIC	$ 0.94	$ 0.51
DILUTIVE	$ 0.92	$ 0.51
AVBASIC SHARES OUTSTANDING:	5,846	6,197
DILUTIVE	5,995	6,232

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
(IN THOUSANDS, EXCEPT FOR PER SHARE AMOUNTS)
(UNAUDITED)

	FOR THE THREE MONTHS ENDED APRIL 30	
	1999	1998
NET SALES	$ 42,405	$ 38,334
Cost Of Sales	29,390	26,148
GROSS PROFIT	13,015	12,186
Selling, General And Administrative Expenses	10,743	9,850
INCOME FROM OPERATIONS	2,272	2,336
OTHER INCOME (EXPENSE)		
Interest Expense	(807)	(452)
Interest Income	125	90
Other, Net	82	(32)
TOTAL OTHER EXPENSE, NET	(600)	(394)
INCOME BEFORE INCOME TAXES	1,672	1,942
Income Tax Expense	477	553
NET INCOME	1,195	1,389
NET INCOME PER SHARE:		
BASIC	$ 0.21	$ 0.23
DILUTIVE	$ 0.20	$ 0.23
AVERAGE SHARES OUTSTANDING:		
BASIC	5,813	6,053
DILUTIVE	6,036	6,070

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS OF DOLLARS)
(UNAUDITED)

	FOR THE NINE MONTHS ENDED APRIL 30	
CASH FLOWS FROM OPERATING ACTIVITIES	1999	1998
NET INCOME	$ 5,499	$ 3,165
Adjustments to Reconcile Net Income To Cash Provided by Operating Activities:		
Depreciation and Amortization	6,311	5,676
Non-cash special charges	--	2,231
Provision for bad debts	33	64
(Increase) Decrease in:		
Accounts Receivable	(711)	(2,459)
Inventories	(1,758)	(1,273)
Prepaid Expenses and Taxes	(404)	(1,907)
Deferred Income Taxes	(39)	12
Other Assets	(678)	(305)
Increase (Decrease) in:		
Accounts Payable	(764)	175
Accrued Expenses	(2,812)	(1,309)
Deferred Compensation	(66)	51
Special Charge Reserve	(133)	--
Other	(64)	229
TOTAL ADJUSTMENTS	(1,085)	1,185
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,414	4,350
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	(6,200)	(4,528)
Proceeds from sale of property, plant and equipment	22	4
Purchases of Investment Securities	(1,225)	(528)
Dispositions of Investment Securities	1,173	911
Proceeds from sale of Investments	--	709
Purchase of Mounds Production Company Assets	--	(14,363)
Other	(14)	(18)
NET CASH USED IN INVESTING ACTIVITIES	(6,244)	(17,813)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	400	25,000
Principal Payments on Long-Term Debt	(134)	(1,934)
Dividends Paid	(1,375)	(1,395)
Purchases of Treasury Stock	(1,502)	(8,238)
Other	14	(5)
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(2,597)	13,428
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,427)	(35)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,410	9,997
CASH AND CASH EQUIVALENTS, APRIL 30	$ 4,983	$ 9,962

The accompanying notes are an integral part of the consolidated financial statements.

OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BASIS OF STATEMENT PRESENTATION

The financial statements and the related notes are condensed and should be read in conjunction with the consolidated financial statements and related notes for the year ended July 31, 1998, included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions are eliminated.

The unaudited financial information reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the statements contained herein.

2. INVENTORIES

The composition of inventories is as follows (in thousands):

	APRIL 30 (UNAUDITED)	JULY 31 (AUDITED)
	1999	1998
Finished goods	$ 9,131	$ 7,935
Packaging	4,305	4,220
Other	1,580	1,103
	$15,016	$13,258

Inventories are valued at the lower of cost or market. Cost is determined by the first-in, first-out method.

3. SPECIAL CHARGE

The Company recorded a pre-tax special charge of $3,129,000 during the second quarter of last year to cover the cost of exiting the transportation business ($1,508,000), to write off certain other non-performing assets ($932,000), and to cover other exit costs ($689,000). The transportation business exit costs consisted primarily of trailer rehabilitation, employee severance, and professional fees. None of these items was individually significant. At April 30, 1999, $225,000 of the special charges remained in current liabilities. A summary of the balance sheet activity for both years is presented below (in thousands):

Reserve Balance at April 30, 1998	$ 3,129
Fiscal year 1998 activity:	
Transportation business exit costs	1,440
Write-off of non-performing assets	808
Other exit costs	523
Balance at July 31, 1998	358
Fiscal Year 1999 activity:	
Transportation and business exit costs	145
Write-off of non-performing assets	(12)
Other exit costs	0
Balance at April 30, 1999	$ 225

4. NEW ACCOUNTING PRONOUNCEMENTS

The company adopted Statement of Financial Accounting Standards (SFAS) No. 128, "Earnings Per Share" during the second quarter of 1998. This standard prescribes the methods of calculating basic and diluted earnings per share and requires dual presentation of these amounts on the face of the income statement.

In June 1997, SFAS No. 130, "Reporting Comprehensive Income" and SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information" were issued. SFAS No. 130 establishes standards for the reporting of comprehensive income and its components in a financial statement presentation. SFAS No. 130 separates comprehensive income into net income and other comprehensive income, but does not change the measurement and presentation of net income. Other comprehensive income includes certain changes in the equity of the Company which are currently recognized and presented separately in the Consolidated Statements of Stockholders' Equity, such as the change in the Cumulative Translation Adjustment account. The Company will adopt SFAS No. 130 in the fourth quarter of fiscal 1999.

SFAS No. 131 establishes new standards for the way companies report information about operating segments and requires that those enterprises report selected information about operating segments in the financial reports issued to shareholders. The Company will adopt SFAS No. 131 in the fourth quarter of fiscal 1999.

5. ACQUISITION

On April 20, 1998, the Company completed the purchase of the Fuller's Earth absorbent business of American Colloid Co., a wholly owned subsidiary of Amcol International, for $14,657,000 including transaction expenses. The purchase includes a production plant and mineral reserves in Mounds, Illinois (Oil-Dri Mounds Production Company), and mineral reserves located in Paris, Tennessee, and Silver Springs, Nevada. The business has annual sales approximating $15,000,000. The Company financed the acquisition through a fixed-rate private debt placement. The acquisition was accounted for as a purchase, with the excess purchase price over fair market value of the underlying assets allocated to intangibles, including supply contracts and non-compete covenants. These intangibles are being amortized over 15 years.

MANAGEMENT DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NINE MONTHS ENDED APRIL 30, 1999 COMPARED TO
NINE MONTHS ENDED APRIL 30, 1998

RESULTS OF OPERATIONS

Consolidated net sales for the nine months ended April 30, 1999 were $133,510,000, an increase of $14,515,000 or 12.2%, over net sales of $118,995,000 in the first nine months of fiscal 1998. Excluding the $2,372,000 of fiscal 1998 sales from the transportation business, which was divested last year, sales increased 14.5% in the first nine months of fiscal 1999 versus fiscal 1998. Net income for the nine months ended April 30, 1999 was $5,499,000, an increase of $2,334,000 or 73.7% from $3,165,000 earned in last year's first nine months. Basic net income per share for the nine months ended April 30, 1999 was $0.94 and diluted net income per share was $0.92, versus $0.51 per share (basic and diluted) earned in the same period last year. A significant portion of the year-to-year increase in earnings and earnings per share was due to a special charge recorded in the second quarter of fiscal 1998 to cover the costs of exiting the transportation business and writing off certain non-performing assets. This charge reduced income before taxes by $3,129,000, net income by $2,237,000 and earnings per share by $0.36 for the nine months ended April 30, 1998.

Net sales of pet products increased $11,903,000 or 16.4% from prior year amounts, primarily due to incremental sales from Oil-Dri Mounds Production Company, partially offset by the loss of sales to Sam's Club, which decided to discontinue carrying the Company's cat litter products in fiscal 1998. Net sales of agricultural products increased $2,101,000 or 12.8% from the comparable period in fiscal 1998. The higher sales resulted from increased demand for the family of animal health and nutrition products. Net sales of fluids purification products increased $869,000 or 7.1% from prior year due to increased demand for PURE-FLO(R) products in the United Kingdom. Net sales of industrial and environmental sorbents increased $2,842,000 or 19.4% from last year's first nine months due to incremental sales from last year's acquisition of Oil-Dri Mounds Production Company.

Consolidated gross profit as a percentage of net sales for the nine months ended April 30, 1999 increased to 31.7% from 31.4% in the comparable period of fiscal 1998. Changes in sales mix, a Company-wide effort to reduce costs and exiting the transportation business contributed to this increase.

Operating expenses as a percentage of net sales decreased to 24.5% in the first nine months of fiscal 1999 from 26.6% in the same period of the prior year primarily due to the pre-tax special charge of $3,129,000 recorded in the second quarter of fiscal 1998, partially offset by increased advertising expenses for new pet products.

Interest expense increased $1,148,000 due to the fixed-rate financing secured during the third quarter of fiscal 1998, which was used to fund the purchase of Oil-Dri Mounds Production Company.

The Company's effective tax rate was 28.5% of pre-tax income in the first nine months of fiscal 1999 and fiscal 1998.

The assets of the Company decreased $896,000 or 0.7% during the first nine months of fiscal 1999. Current assets decreased $1,535,000 or 2.9% from fiscal 1998 year end balances primarily due to decreased cash and cash equivalents, partially offset by

increases in accounts receivable and inventory balances.
Property, plant and equipment, net of accumulated depreciation, decreased $183,000 or 0.3% during the first nine months due to depreciation expense exceeding capital expenditures.

Total liabilities in the nine months ended April 30, 1999 decreased $3,527,000 or 5.7% primarily due to decreases in accounts payable and advertising and freight related accruals. Current liabilities decreased $2,471,000 or 14.3% from July 31, 1998 balances, due to decreases in accounts payable and advertising and freight related accruals, partially offset by current maturities of notes payable.

EXPECTATIONS

The Company anticipates sales in the last three months of fiscal 1999 will likely decrease from sales levels achieved during the comparable period of the prior year due to lapping the acquisition of the fuller's earth absorbent business of American Colloid Co. ("Mounds Production Company") which was completed during the third quarter of fiscal 1998 and walking away from certain low margin business associated with the acquisition Sales of branded cat box absorbents are expected to increase moderately as existing products and new product introductions gain incremental distribution. Sales of private label cat box absorbents are expected to be down as the Company eliminates certain low margin business acquired in the acquisition. However, sales growth of cat box absorbents is subject to continuing competition for shelf space in the grocery, mass merchandiser and club markets. Sales of agricultural carriers and industrial sorbents in the rest of fiscal 1999 are expected to be flat compared to fiscal 1998. Sales of the company's fluid purification products are expected to increase moderately throughout the remainder of the fiscal year.

The foregoing statements under this heading are "forward looking statements" within the meaning of that term in the Securities Exchange Act of 1934, as amended. Actual results may be lower than those reflected in these forward-looking-statements, due primarily to continued vigorous competition in the grocery, mass merchandiser and club markets; the level of success of new products; and the cost of new product introductions and promotions in consumer markets. These forward-looking-statements also involve risk of changes in market conditions in the overall economy and, for agricultural and fluids purification products, in the planting activity, crop quality and overall agricultural demand, including export demand.

LIQUIDITY AND CAPITAL RESOURCES

The current ratio increased to 3.5 at April 30, 1999 from 3.1 at July 31, 1998. Working capital increased $936,000 during the nine months ended April 30, 1999 to $37,219,000. Cash provided by operations continues to be the Company's primary source of funds to finance ordinary investing needs and financing activities. During the nine months ended April 30, 1999 the balances of cash, cash equivalents and other investments decreased $4,375,000. Cash provided by operating activities of $4,414,000 and cash on hand were used to fund capital expenditures ($6,200,000), purchases of the Company's common stock ($1,502,000), and payment of dividends ($1,375,000). Total cash and investment balances held by the Company's foreign subsidiaries at April 30, 1999 and July 31, 1998 were $2,504,000 and $3,350,000 respectively.

THREE MONTHS ENDED APRIL 30, 1999 COMPARED TO
THREE MONTHS ENDED APRIL 30, 1998

Consolidated net sales for the three months ended April 30, 1999 were $42,405,000, an increase of $4,071,000 or 10.6%, over net sales of $38,334,000 in the third quarter of fiscal 1998. Net income for the three months ended April 30, 1999 was $1,195,000, a decrease of $194,000 from $1,389,000 earned in last year's quarter. Basic net income per share for the three months ended April 30, 1999 was $0.21 and diluted net income per share was $0.20, versus $0.23 per share (basic and diluted) earned in the same period last year.

Net sales of pet products increased $2,674,000 or 11.4% from prior year amounts, for the same reasons previously discussed in the nine-month comparison of results. However, Oil-Dri Canada had a very difficult quarter caused by shortages of a critical raw material which also significantly increased manufacturing costs. At the same time, competition put pressure on margins, and some planned sales did not materialize due to customer consolidation in Canada.

Net sales of agricultural products increased $1,127,000 or 21.9% from the comparable period in fiscal 1998. The higher sales resulted from increased demand for AGSORB(R) products and the family of animal health and nutrition products. Net sales of fluid purification products decreased $242,000 or 5.5% from prior year due to decreased demand for bleaching clay in Europe due to a higher quality oil crop this year. Net sales of industrial and environmental sorbents increased $848,000 or 17.0% from last year's third quarter for the same reasons discussed previously in the nine-month comparison of results.

Consolidated gross profit as a percentage of net sales for the three months ended April 30, 1999 decreased to 30.7% From 31.8% in the comparable period of fiscal 1998 due to differences in the sales mix for the third quarter of fiscal 1999 versus 1998.

Operating expenses as a percentage of net sales decreased to 25.3% in the third quarter of fiscal 1999 from 25.7% in the same quarter of the prior year. This decrease is due to a company-wide effort to reduce costs.

Interest expense increased $355,000, primarily due to the fixed-rate financing secured during the third quarter of fiscal 1998.

The company's effective tax rate was 28.5% Of pre-tax income in the third quarter of 1999 and 1998.

FOREIGN OPERATIONS

Net sales by the Company's foreign subsidiaries for the nine months ended April 30, 1999 were $11,150,000, or 8.4% of total Company sales. This represents an increase of $893,000 or 8.7% from the same period of fiscal 1998, in which foreign subsidiary sales were $10,257,000, or 8.6% of total Company sales. This increase is due primarily to an increased demand for PURE-FLO(R) products in the United Kingdom. Net income of the foreign subsidiaries for the first nine months of fiscal 1999 was $360,000, a decrease of $105,000 or 22.6% form $465,000, earned in the same period of fiscal 1998. This decrease was primarily due to unfavorable changes in sales mix. Identifiable assets of the Company's foreign subsidiaries as of April 30, 1999 were $11,041,000, a decrease of $627,000 from $11,668,000 as of July 31, 1998, due primarily to decreased levels of cash and investment balances.

YEAR 2000

The Year 2000 (Y2K) issue is the result of computer programs using a two-digit format, as opposed to four digits, to indicate the year. Such computer systems will be unable to interpret dates beyond 1999, which could cause a system failure or application errors, leading to disruptions in operations. The Company has completed an internal review of all systems to determine major areas of exposure to Y2K issues, and most of these issues have been resolved. In addition, third parties with whom there are systems interaction are being surveyed to assess Y2K compliance, or if contingency plans will become necessary. The cost of Y2K issue resolution will not have a material adverse impact on the Company's financial statements, and it is anticipated that the Company's computer systems will be Y2K-compliant by July 31, 1999.

ITEM 6. (a) EXHIBITS: The following documents are an exhibit to this report:

(b) During the quarter for which this report is filed, no reports on Form 8-K were filed.

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/ MICHAEL L. GOLDBERG

Michael L. Goldberg
Executive Vice President, Chief Financial Officer and Corporate Secretary

BY /S/ DANIEL S. JAFFEE

Daniel S. Jaffee
President and Chief Executive Officer

Dated: June 11, 1999

Exhibit 11

OIL-DRI CORPORATION OF AMERICA AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(IN THOUSANDS EXCEPT FOR PER SHARE AMOUNTS)

	Three Months Ended April 30		Nine Months Ended April 30	
	1999	1998	1999	1998
Net income available to stockholders (numerator)	$ 1,195	$ 1,389	$ 5,499	$ 3,165
Shares Calculation (denominator)				
Average shares outstanding - basic	5,813	6,053	5,846	6,197
Effect of Dilutive Securities:				
Potential Common Stock relating to stock options	223	17	149	35
Average shares outstanding - assuming dilution	6,036	6,070	5,995	6,232
Net Income (Loss) Per Share:				
Basic	$ 0.21	$ 0.23	$ 0.94	$ 0.51
Dilutive	$ 0.20	$ 0.23	$ 0.92	$ 0.51

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APR-30-1999
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