



## WHAT'S NEW AT...

Scientific Industries, Inc.  
70 Orville Drive  
Bohemia, New York 11716

### **FOR IMMEDIATE RELEASE**

### **Scientific Industries, Inc. Reports Increases in Sales and Net Income Results**

Bohemia, New York, Friday, February 13, 2004 -- Scientific Industries, Inc. (OTCBB-SCND) announces increased sales and profits for the three and six months ended December 31, 2003.

Based on unaudited results, the Company reported, primarily as a result of increased sales of new products, an increase of \$36,000 (4%) in net sales to \$869,700 for the three months ended December 31, 2003 versus \$833,700 for the same period last year, and an increase of \$59,600 (4%) to \$1,743,600 in net sales for the first six months of the current fiscal year compared to \$1,684,000 for the same period last year.

The Company realized substantially higher pre-tax income of \$80,700 and \$125,700 for the three and six months ended December 31, 2003, compared to losses of \$8,300 and \$300 for the same periods last year. The increases in pre-tax income were mainly due to higher gross profits, which benefited from lower production costs. The Company's general and administrative expenses were significantly lower for both periods because the prior year periods included expenses related to an unsuccessful proxy contest initiated by the Company's former chief executive officer as well as his termination costs. Although the company's selling and research and development expenses were significantly higher due to the company's expansion of its marketing and selling activities and accelerated new product development, it benefited from the lower general and administrative expenses, which substantially offset the increased expenses.

Net income for the three and six months ended December 31, 2003 was significantly higher at \$60,700 (\$.06 per basic share) and \$90,700 (\$.09 per basic share) versus net losses of (\$6,900) (\$.01 per basic share) and (\$300) (\$.00 per basic share) for the same periods last year.

### **About Scientific Industries**

Scientific Industries manufactures and markets laboratory equipment, including the world-renowned Vortex-Genie® 2 Mixer. Scientific's products are used by research laboratories, clinics, pharmaceutical manufacturers, medical device manufacturers, and other industries.

"Statements made in this press release that relate to future events, performance or financial results of the Company are forward-looking statements which involve uncertainties that could cause actual events, performance or results to materially differ. The Company undertakes no obligation to update any of these statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as to the date hereof. Accordingly, any forward-looking statement should be read in conjunction with the additional information about risks and uncertainties set forth in the Company's Securities and Exchange Commission reports, including our annual report on Form 10-KSB."

*( condensed financial information attached )*



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SCIENTIFIC INDUSTRIES, INC. AND SUBSIDIARY  
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

ASSETS

	<u>December 31, 2003</u>
Current Assets	\$2,029,000
Property and Equipment, Net	159,500
Deferred Taxes	113,600
Other Assets and Deferred Charges	<u>96,600</u>
 Total Assets	 <u>\$2,398,700</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities	\$ 265,900
Deferred Compensation	52,100
Shareholders' Equity	<u>2,080,700</u>
 Total Shareholders' Equity & Liabilities	 <u>\$2,398,700</u>

SCIENTIFIC INDUSTRIES, INC.  
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Three Month Periods Ended <u>December 31,</u>		For the Six Month Periods Ended <u>December 31,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Net Sales	<u>\$ 869,700</u>	<u>\$ 833,700</u>	<u>\$1,743,600</u>	<u>\$1,684,000</u>
Gross Profit	<u>401,500</u>	<u>339,100</u>	<u>810,500</u>	<u>686,900</u>
Operating Expenses	<u>325,300</u>	<u>347,800</u>	<u>691,900</u>	<u>691,700</u>
Income (Loss) from Operations	76,200	( 8,700)	118,600	( 4,800)
Interest and Other Income	<u>4,500</u>	<u>400</u>	<u>7,100</u>	<u>4,500</u>
Income (Loss) Before Income Taxes (Benefit)	80,700	( 8,300)	125,700	( 300)
Income Taxes (Benefit)	<u>20,000</u>	<u>( 1,400)</u>	<u>35,000</u>	<u>-</u>
Net Income (Loss)	<u>\$ 60,700</u>	<u>(\$ 6,900)</u>	<u>\$ 90,700</u>	<u>(\$ 300)</u>
Net Income (Loss) per common share - basic:	\$ .06	(\$ .01)	\$ .09	\$ -
Net Income (Loss) per common share- diluted:	\$ .06	(\$ .01)	\$ .09	\$ -
 Weighted average number of outstanding shares:				
Basic	960,541	954,541	960,541	952,591
Diluted	1,005,820	954,541	997,660	952,591