



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

FOR IMMEDIATE RELEASE (Bohemia, NY, May 12, 2006)

Scientific Industries Reports Increased Net Income for Interim Periods

Scientific Industries Inc. (OTCBB-SCND), May 12, 2006 –Scientific Industries reported net income of \$288,800, or \$0.29 per basic share, and \$102,200, or \$0.10 per basic share, for the nine and three month periods ended March 31, 2006, respectively – increases of \$74,700 (35%) and \$7,500 (8%) from the net income for the same periods of the prior year.

Net sales for the nine month comparative periods were 2% higher – \$2,737,500 compared with \$2,693,200 – but 8% lower for the three month comparative periods – \$919,400 compared with \$996,300. Sales during the three months ended March 31, 2005 benefited from fulfillment of an unusually high backlog of orders as of January 1, 2005 due to production interruptions of a supplier in the prior quarter.

The Company noted that future revenues and operating results are expected to be adversely impacted by the expected reduction in future sales of the Company's products to its principal customer and distributor. Sales to the distributor accounted for 24% and 23%, respectively, of the Company's revenues for the nine and three month periods of the current fiscal year. The Company plans to continue the expansion of its new product development and marketing efforts which have resulted in increased sales of new products and to undertake certain measures, including maintaining and seeking other sales channels for its products, to mitigate or overcome the impact.

About Scientific Industries

Scientific Industries manufactures and markets laboratory equipment, including the world-renowned Vortex-Genie® 2 Mixer. Scientific Industries' 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.”



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

ASSETS

	<u>March 31, 2006</u>
Current Assets	\$2,804,100
Property and Equipment, Net	121,200
Other and Intangible Assets	<u>41,100</u>
 Total Assets	 <u>\$2,966,400</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Total Liabilities	\$ 311,800
Shareholders' Equity	<u>2,654,500</u>
 Total Shareholders' Equity & Liabilities	 <u>\$2,966,400</u>

SCIENTIFIC INDUSTRIES, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	For the Three Month Periods Ended		For the Nine Month Periods Ended	
	<u>March 31,</u>		<u>March 31,</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Net Sales	<u>\$ 919,400</u>	<u>\$ 996,300</u>	<u>\$2,737,500</u>	<u>\$2,693,200</u>
Gross Profit	447,300	517,600	1,368,700	1,323,500
Operating Expenses	<u>304,200</u>	<u>360,700</u>	<u>991,500</u>	<u>1,025,700</u>
Income from Operations	143,100	156,900	377,200	297,800
Interest and Other Income	<u>12,600</u>	<u>1,600</u>	<u>31,000</u>	<u>16,100</u>
Income Before Income Taxes	155,700	158,500	408,200	313,900
Income Taxes	<u>53,500</u>	<u>63,800</u>	<u>119,400</u>	<u>99,800</u>
Net Income	<u>\$ 102,200</u>	<u>\$ 94,700</u>	<u>\$ 288,800</u>	<u>\$ 214,100</u>
Basic earnings per common share:	\$.10	\$.10	\$.29	\$.22
Diluted earnings per common share:	\$.10	\$.09	\$.27	\$.20
Cash dividends declared per share:	\$ -	\$ -	\$.09	\$.07
Weighted average number of outstanding shares:				
Basic	995,652	979,640	988,972	977,278
Diluted	1,074,827	1,054,612	1,067,560	1,050,825

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