



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

FOR IMMEDIATE RELEASE (Bohemia, NY, September 29, 2006)

Scientific Industries Reports Increased Earnings For Fiscal 2006 and Cash Dividend

Scientific Industries Inc. (OTCBB-SCND), September 29, 2006 - Scientific Industries Inc., today reported that for the year ended June 30, 2006 net income was \$321,700 (\$0.32 per basic share), an increase of \$17,200 (5.6%) from \$304,500 (\$0.31 per basic share) for fiscal 2005. The Company also announced that the Board of Directors has declared a cash dividend of \$.07 per share of Common Stock payable on January 12, 2007 to holders of record as of the close of business on October 30, 2006.

The increase in net income was achieved primarily because of lower operating expenses which offset a \$127,800 reduction in net sales - \$3,465,200 for fiscal 2006 compared to \$3,593,000 for fiscal 2005, predominantly of the Vortex-Genie® 2 mixer, partially offset by a 10% increase in sales of new products. The lower net sales were caused by a decision in May 2006 by Fisher Scientific International ("Fisher"), to discontinue distributing the Company's products because of a stated objective of switching focus from branded to private label products, and by lower sales in Europe, the result of increased global competition.

Ms. Helena R. Santos, President and Chief Executive Officer, noted, however, that while no assurance as to success can be given, the Company has taken several actions to deal with the changing climate in the industry and achieve its goals of increased revenues and continued profitability. She cited a program to increase sales through distributors other than Fisher and additional direct sales, which has had, to date, a mitigating effect on the sales loss resulting from the Fisher decision. She also referred to the recent acquisition of a sublicense to produce and distribute a line of bioreactor vessels and the recently announced proposal to acquire a producer and distributor of catalyst research instruments.

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."