FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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LANDAUER INC

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

/ X / QUARTERLY REPORT pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended MARCH 31, 2006 or

/   / TRANSITION REPORT pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _______ to _______

Commission File Number 1-9788

LANDAUER, INC.
(Exact name of registrant as specified in its charter)

Delaware	06-1218089
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

2 Science Road, Glenwood, Illinois 60425
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code (708) 755-7000

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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]   Accelerated filer [X]
Non-accelerated filer [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 25, 2006
Common stock, $.10 par value	9,077,606

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

LANDAUER, INC. AND SUBSIDIARIES
Consolidated Balance Sheets (Unaudited)
(000's, except share amounts)

	March 31, 2006	September 30, 2005
ASSETS		
Current assets:		
Cash and cash equivalents.	$ 10,381	$ 9,598
Receivables, net of allowances of $548 and $408, respectively. . . .	18,921	17,987
Inventories.	2,799	2,634
Prepaid expenses and other current assets	3,179	2,703
Prepaid income taxes	1,388	1,153
Deferred income taxes.	1,568	1,514

Current assets	38,236	35,589
Property, plant and equipment, at cost	45,257	43,401
Less: Accumulated depreciation and amortization	27,874	25,494
Net property, plant and equipment	17,383	17,907
Equity in joint venture	3,583	4,467
Goodwill	13,275	13,261
Other intangible assets, net of amortization	6,660	6,926
Dosimetry devices, net of amortization of $7,125 and $5,911, respectively	6,875	6,537
Other assets	818	1,172
	$ 86,830	$ 85,859

The accompanying notes are an integral part of these financial statements.

LANDAUER, INC. AND SUBSIDIARIES
Consolidated Balance Sheets (Unaudited) (Cont'd.)
(000's, except share amounts)

	March 31, 2006	September 30, 2005
LIABILITIES AND SHAREHOLDERS' INVESTMENT		
Current liabilities:		
Accounts payable	$ 1,941	$ 1,595
Notes payable.	3,552	4,048
Dividends payable.	4,067	3,815
Deferred contract revenue.	13,073	12,702
Accrued compensation and related costs.	1,779	2,329
Accrued pension costs.	863	864
Accrued taxes on income.	50	444
Other accrued expenses	4,171	4,036
Current liabilities.	29,496	29,833
Non-current liabilities:		
Pension and postretirement obligations.	7,353	7,062
Deferred income taxes.	190	238
Non-current liabilities. . . .	7,543	7,300
Minority interest in subsidiary. . .	113	128
Shareholders' investment:		
Preferred stock, $.10 par value per share - Authorized - 1,000,000 shares; Outstanding - None	--	--
Common stock, $.10 par value per share - Authorized - 20,000,000 shares; Outstanding - 9,049,814 shares at 03/31/06 and 9,029,793 shares at 09/30/05	905	903
Premium paid in on common stock. . .	17,348	17,147
Accumulated other comprehensive		

loss	(621)	(375)
Retained earnings	32,046	30,923
Shareholders' investment	49,678	48,598
	$ 86,830	$ 85,859

The accompanying notes are an integral part of these financial statements.

LANDAUER, INC. AND SUBSIDIARIES
Consolidated Statements of Income (Unaudited)
(000's, except per share amounts)

	Three Months Ended		Six Months Ended	
	March 31, 2006	March 31, 2005	March 31, 2006	March 31, 2005
Revenues, net of sales allowances	$ 20,621	$ 19,706	$ 39,268	$ 38,031
Costs and expenses:				
Cost of sales	7,486	7,262	14,919	14,356
Selling, general and administrative	4,501	4,540	9,655	9,051
Reorganization charge	600	--	600	--
	12,587	11,802	25,174	23,407
Operating income	8,034	7,904	14,094	14,624
Equity in income of				

joint venture.	360	325	726	682
Other income (expense), net.	100	7	150	(38)
Income before taxes. . . .	8,494	8,236	14,970	15,268
Income taxes	3,203	3,072	5,633	5,658
Income before minority interest. . . .	5,291	5,164	9,337	9,610
Minority interest.	43	21	82	37
Net income	$ 5,248	$ 5,143	$ 9,255	$ 9,573
Net income per share:				
Basic.	$ 0.58	$ 0.57	$ 1.03	$ 1.07
Based on average shares outstanding . .	9,021	8,956	9,016	8,952
Diluted.	$ 0.58	$ 0.57	$ 1.02	$ 1.06
Based on average shares outstanding . .	9,098	9,025	9,094	9,022

The accompanying notes are an integral part of these financial statements.

LANDAUER, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Unaudited)
(000's, except per share amounts)

	Six Months Ended	
	March 31, 2006	March 31, 2005
Cash flows from operating activities:		
Net income	$ 9,255	$ 9,573
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	3,765	3,102
Amortization	323	319
Equity in net income of foreign affiliate	(726)	(682)
Non-cash equity award compensation	338	--
Income tax benefit from the exercise of stock options	1	166
Excess income tax benefit from the exercise of stock options	(9)	--
Loss on sale and disposition of assets	7	--
Increase in accounts receivable, net	(903)	(2,853)
Increase in other current assets	(717)	(949)
Increase in dosimetry devices at cost	(1,570)	(2,007)
Increase in other long-term assets	(284)	(235)
Decrease in accounts payable and other current liabilities	(501)	(191)
Increase (decrease) in deferred contract revenue	348	(33)
Increase in long-term liabilities	72	941
Increase in minority interest	82	46
Net cash provided by operating activities	9,481	7,197
Cash flows used by investing activities:		
Acquisition of property, plant and equipment	(2,006)	(1,830)
Net cash used by investing activities	(2,006)	(1,830)
Cash flows used by financing activities:		
Payments on revolving credit facilities	(520)	(564)
Dividends paid to minority interest	(102)	(85)
Dividends paid to stockholders	(7,881)	(7,381)
Proceeds from the exercise of stock options	1,798	200
Excess income tax benefit from the		

exercise of stock options.	9	--
Net cash used by financing activities. . . .	(6,696)	(7,830)
Effects of foreign currency translation. . .	4	211
Net increase (decrease) in cash and cash equivalents	783	(2,252)
Opening balance - cash and cash equivalents. .	9,598	8,595
Ending balance - cash and cash equivalents . .	$ 10,381	$ 6,343

The accompanying notes are an integral part of these financial statements.

LANDAUER, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements (Unaudited)
March 31, 2006

(1) BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements reflect the financial position of Landauer, Inc. and subsidiaries ("Landauer" or "the Company") as of March 31, 2006 and September 30, 2005, and the consolidated results of operations and cash flows for the three and six-month periods ended March 31, 2006 and 2005. In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments necessary to present fairly the consolidated financial position of the Company and its consolidated results of operations and cash flows.

Certain prior year amounts have been reclassified to conform to current year presentation. These reclassifications have no effect on previously reported net income or financial position.

The results of operations for the three and six-month periods ended March 31, 2006 and 2005 are not necessarily indicative of the results to be expected for the full year. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America.

The accounting policies followed by the Company are set forth in the 2005 Landauer Annual Report on Form 10-K. The only significant source of revenues for the Company is radiation measuring and monitoring services including other services incidental to measuring and monitoring. The services provided by the Company to its customers are of a subscription nature and are continuous. The Company views its business as services provided to customers over a period of time and the wear period is the period over which those services are provided. Badge production, wearing of badges, badge analysis, and report preparation are integral to the benefit that the Company provides to its customers. These services are provided to customers on an agreed-upon recurring basis (generally monthly, bi-monthly or quarterly) that the customer chooses for the wear period. Revenue is recognized on a straight-line basis, adjusted for changes in pricing and volume, over the wear period as the service is continuous and no other discernible pattern of recognition is evident. Revenues are recognized over the periods in which the customers wear the badges irrespective of whether invoiced in advance or in arrears. Ancillary service revenues are recognized upon delivery of the reports to customers or as other such services are provided.

(2) CASH DIVIDENDS

On March 3, 2006, the Company declared a regular quarterly cash dividend in the amount of $0.45 per share payable on April 7, 2006, to shareholders of record on March 17, 2006. On November 28, 2005, the Company declared a regular quarterly cash dividend in the amount of $0.45 per share payable on January 6, 2006, to shareholders of record on December 16, 2005. Regular quarterly cash dividends of $0.425 per share, or $1.70 annually, were declared during fiscal 2005.

(3) COMPREHENSIVE INCOME

The components of accumulated other comprehensive loss included in the accompanying unaudited consolidated balance sheet at March 31, 2006 consist of net minimum pension liability adjustments and cumulative translation adjustments. The following table sets forth the Company's comprehensive income and its components for the three and six-month periods ended March 31, 2006 and 2005 (000's):

	Three Months Ended March 31,		Six Months Ended March 31,	
	2006	2005	2006	2005
Net income	$ 5,248	$ 5,143	$ 9,255	$ 9,573
Other comprehensive income (loss):.				
Foreign currency translation adjustments. . . .	77	636	(246)	120
Comprehensive income . . .	$ 5,325	$ 5,779	$ 9,009	$ 9,693

(4) EARNINGS PER SHARE

Basic earnings per share were computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted earnings per share were computed by dividing net income by the weighted average number of shares of common stock that would have been outstanding assuming dilution from share-based awards during each period.

The following table presents the weighted average number of shares of common stock for the three and six-month periods ended March 31, 2006 and 2005 (000's):

	Three Months Ended March 31,		Six Months Ended March 31,	
	2006	2005	2006	2005
Weighted average number of shares of common stock outstanding. . . .	9,021	8,956	9,016	8,952
Dilutive equity awards . .	77	69	78	70
Weighted average number of shares of common stock assuming dilution.	9,098	9,025	9,094	9,022

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(5) SHARE-BASED COMPENSATION

The Company maintains three share-based compensation plans for key employees and/or non-employee directors: (i) the Landauer, Inc. 1996 Equity Plan, as amended and restated through November 8, 2001 (the "1996 Equity Plan"); (ii) the Landauer, Inc. 1997 Non-Employee Director's Stock Option Plan, as amended and restated through November 8, 2001 (the "1997 Director's Plan"); and (iii) the Landauer, Inc. 2005 Long-Term Incentive Plan (the "2005 LTI Plan"). As of February 3, 2005, the 2005 LTI Plan replaced the 1996 Equity Plan and the 1997 Director's Plan. As of March 31, 2006, the following types of share-based awards were outstanding under these plans: stock options, restricted stock awards, and performance share awards.

Effective October 1, 2005, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 123R, "Share-Based Payment", which requires all share-based payments to employees, including grants of employee stock options, to be recognized as compensation expense in the consolidated financial statements, based on their fair values and over the requisite service periods. The Company elected to utilize the modified-prospective application method as permitted by SFAS 123R and the Black-Scholes option pricing model to determine the fair value for stock options issued prior to September 30, 2005. Under this method, share-based compensation expense includes: (a) compensation expense for all share-based compensation awards granted prior to, but not yet vested as of September 30, 2005, using the grant-date fair value estimated in accordance with the original provisions of SFAS 123, "Accounting for Stock-Based Compensation"; and (b) compensation expense for all share-based compensation awards granted subsequent to September 30, 2005, using the grant-date fair value estimated in accordance with the provisions of SFAS 123R.

The Company recorded $338,000 of non-cash compensation expense thus far in fiscal 2006, including $203,000 recorded in the second fiscal quarter. This expense has been included in general and administrative expenses. The total income tax benefit recognized related to share-based compensation for the six months ended March 31, 2006 was $113,000, including $76,000 recorded for the three months ended March 31, 2006. As of March 31, 2006, total unrecognized compensation costs related to non-vested awards was approximately $895,000, net of estimated forfeitures, which is expected to be recognized over a weighted average period of approximately 1.3 years.

STOCK OPTIONS

Under the 1996 Equity Plan the Company may grant stock options, as well as other equity awards, for up to 1,350,000 shares. Under the 1997 Director's Plan, the Company may grant stock options for up to 100,000 shares. Under each plan, the option exercise price equals the stock's fair market value on the date of the grant. Options granted under the 1996 Equity Plan vest over varying periods of time and may include sale restrictions. Options granted during fiscal 2005 under the 1996 Equity Plan vested immediately and sale of shares realized through exercise of such options was prohibited for three years from the date of grant. The initial grant of options in 1997 under the 1997 Director' Plan vests ratably over ten years and subsequent grants vest ratably over three years. The term of all options granted under these two plans is for a period of ten years. All options granted under these two plans have been non-qualified options. Grants of any awards under the 1996 Equity Plan and the 1997 Director's Plan were terminated on February 3, 2005, and any shares reserved for award and unused were cancelled.

In February 2005, the Company adopted the 2005 LTI Plan, following shareholder approval, and reserved 500,000 shares of its common stock for grant under the plan. Eligible participants include key employees and officers of the Company and non-employee directors. This plan provides for the grant of stock options (incentive or non-qualified), stock shares (restricted, restricted stock units, performance shares and performance share units), performance units, and stock appreciation rights, either separately or in relation to options granted. Options granted during fiscal 2005 under this plan vested immediately and sales of shares realized through exercise of such options were prohibited for three years from the date of grant. The term of all options granted under this plan is for a period of ten years.

The fair value of each option award was estimated on the date of grant using the Black-Scholes option-pricing model. No grants of stock options were awarded in the second quarters of fiscal 2006 or 2005.

A summary of stock option activity during the three months ended March 31, 2006 is presented below:

	Shares (000s)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (000s)
Outstanding at December 31, 2005. . .	533	$ 40.88		
Exercised.	(6)	48.03		
Forfeited or expired . .	(1)	34.50		
Outstanding at March 31, 2006	526	$ 40.99	7.6	$ 4,858
Exercisable at March 31, 2006	506	$ 41.24	6.7	$ 4,543

A summary of the status of the Company's nonvested stock options as of March 31, 2006, and changes during the quarter then ended, is as follows:

	Shares (000s)	Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2005	29	$ 6.35
Vested	(8)	6.21
Forfeited.	(1)	6.20
Nonvested at March 31, 2006.	20	$ 6.40

RESTRICTED STOCK AWARDS

Under the 2005 LTI Plan, the Company awarded 8,225 restricted shares during fiscal 2005 and 6,000 restricted shares during the quarter ended March 31, 2006. The restricted shares vest over a period of three years, with the exception of 1,100 of the shares vesting over a period of five years. The weighted average fair value of the stock awarded in fiscal 2005 on the grant date was $47.57. The weighted average fair value of the stock awarded during the quarter ended March 31, 2006 was $46.07. There was no additional activity related to restricted stock during the quarter ended March 31, 2006.

PERFORMANCE SHARE AWARDS

Pursuant to the terms of his employment agreement with the Company, as amended in February 2006, and the terms of the 2005 LTI Plan, the President and Chief Executive Officer will participate in a performance share award in the amount of 3,500 shares beginning with the 2006 fiscal year. Five other executives were also awarded 5,100 performance shares in February 2006 under the 2005 LTI Plan. Vesting of these awards and the issuance of additional shares related to these awards are subject to financial performance criteria for fiscal 2006 measured in terms of actual net income compared with planned net income. The Company has expensed $141,000 in the first half of fiscal 2006 related to the obligation to issue the performance share awards. The fair value of the awards of $46.53 was based on the average price of the Company's stock on the date of grant and is amortized to expense over its vesting period, assuming that achievement of performance goals is deemed probable.

PRIOR YEAR PRO FORMA EXPENSE

Prior to the start of fiscal 2006, the Company accounted for its share-based award plans under the recognition and measurement principles of Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees", and related Interpretations. Under APB Opinion No. 25, no compensation cost is recognized except for performance-based grants. The following table illustrates the effect on net income and earnings per share as if the fair value based method provided by SFAS No. 123, "Accounting for Stock-Based Compensation", had been applied for all outstanding and unvested awards for periods prior to the adoption of SFAS No. 123R (000's, except per share data):

	Three Months Ended March 31, 2005	Six Months Ended March 31, 2005
Net income, as reported.	$ 5,143	$ 9,573
Deduct: Total share-based employee compensation expense determined under fair value based method for all awards, net of related tax effects.	56	1,348
Pro forma net income	$ 5,087	$ 8,225

Earnings per share:		
Basic - as reported	$ 0.57	$ 1.07
Basic - pro forma	$ 0.57	$ 0.92
Diluted - as reported	$ 0.57	$ 1.06
Diluted - pro forma	$ 0.56	$ 0.91

There were no awards granted during the three months ended March 31, 2005.

(6) NOTES PAYABLE

In April 2004, the Company negotiated a $25 million line of credit provided by LaSalle Bank, N.A. and borrowed $7,724,000 (euro denominated) under this facility as part of funding the acquisition of the remaining 49% minority interest in LCIE-Landauer, Ltd. The credit facility provides funds that are to be used for working capital and other general corporate purposes. The credit agreement is annually renewable upon agreement of the parties and provides the Company with the option of electing to borrow funds denominated in U.S. dollars or Euros that bear interest rates based on the federal funds rate, prime rate, EURIBOR or LIBOR. It also contains certain covenants, including a covenant for minimum tangible net worth. The credit agreement was amended, effective March 25, 2005, to extend the maturity date to March 25, 2006 and reduce the aggregate loan commitment under the credit facility to $15 million, with an option for the Company to increase to $25 million. A second amendment was made effective March 25, 2006, to extend the maturity date to March 25, 2007 and increase the minimum tangible net worth covenant to $22.4 million. The remaining terms of the amended credit facility are consistent with the original credit facility. As of March 31, 2006, the Company was in compliance with all of the covenants contained in the credit agreement.

The outstanding balance under the line of credit of $3,552,000 at March 31, 2006, is denominated in euros and bears interest at 3.94% until June 26, 2006, at which time the Company may execute a new EURIBOR election notice for an additional interest period of 30 days, as permitted under the terms of the credit agreement. In the event the credit facility is not renewed at maturity, it is expected that cash on hand, cash flow from operations, and the Company's borrowing capacity will be sufficient to satisfy the obligation. The Company funds euro-based debt service payments from euro-denominated cash flows. The Company intends to renew the credit facility prior to expiration in March 2007.

(7) PENSION AND POSTRETIREMENT MEDICAL BENEFIT EXPENSES

The components of net periodic benefit cost for pension and retiree medical plans are as follows (000's):

	Pension Benefits		Other Benefits	
	Three Months Ended March 31,			
	2006	2005	2006	2005
Components of net periodic benefit cost:				
Service cost	$ 293	$ 268	$ (3)	$ 26
Interest cost.	283	300	18	34
Expected return on plan assets.	(190)	(200)	--	--
Amortization of transition (asset) obligation	(2)	(1)	(2)	5
Amortization of prior service cost	39	97	(38)	5
Recognized net actuarial loss	23	21	32	20
Net periodic benefit cost	$ 446	$ 485	$ 7	$ 90

	Pension Benefits		Other Benefits	
	Six Months Ended March 31,			
	2006	2005	2006	2005
Components of net periodic benefit cost:. .				
Service cost	$ 661	$ 518	$ 25	$ 51
Interest cost.	587	547	47	54
Expected return on plan assets.	(393)	(362)	--	--

Amortization of transition (asset) obligation	(4)	(3)	4	11
Amortization of prior service cost	78	136	(34)	9
Recognized net actuarial loss	66	51	44	23
Net periodic benefit cost	$ 995	$ 887	$ 86	$ 148

Landauer contributed $804,000 to its pension plan in the quarter ended March 31, 2006, the maximum amount permitted under U.S. tax law. At the beginning of fiscal 2006, the Company had expected to contribute $835,000 in fiscal 2006.

(8) RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In February 2006, the Financial Accounting Standards Board ("FASB") issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments - an amendment of FASB Statements No. 133 and 140" ("SFAS No. 155"). SFAS No. 155 allows financial instruments that contain an embedded derivative and that otherwise would require bifurcation to be accounted for as a whole on a fair value basis, at the holders' election. SFAS No. 155 also clarifies and amends certain other provisions of SFAS No. 133 and SFAS No. 140. This statement is effective for all financial instruments acquired or issued in fiscal years beginning after September 15, 2006. SFAS No. 155 will have no impact on the Company's financial position or results of operations.

In March 2006, the FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets - an amendment of FASB Statement No. 140" ("SFAS No. 156"). SFAS No. 156 provides guidance on the accounting for servicing assets and liabilities when an entity undertakes an obligation to service a financial asset by entering into a servicing contract. This statement is effective for the first fiscal year beginning after September 15, 2006. SFAS No. 156 will have no impact on the Company's financial position or results of operations.

(9) PROFIT IMPROVEMENT PLAN

In the second fiscal quarter of 2006, the Company initiated programs to improve efficiencies, reorganize several departments and functions to eliminate redundant positions, require employees to meet established performance criteria, and significantly alter some benefit programs. The implementation of these programs resulted in a pre-tax charge, reported on the income statement as a reorganization charge, in the amount of approximately $600,000 in the second fiscal quarter of 2006, primarily related to severance payments, extended employee benefits and related separation costs.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Landauer is a leading provider of analytical services to determine occupational and environmental radiation exposure. For over 50 years, the Company has provided complete radiation dosimetry services to hospitals, medical and dental offices, universities, national laboratories, and other industries in which radiation poses a potential threat to employees. Landauer's services include the manufacture of various types of radiation detection monitors, the distribution and collection of the monitors to and from clients, and the analysis and reporting of exposure findings. These services are provided to approximately 1.5 million individuals in the U.S., Japan, France, the United Kingdom, Brazil, Canada, China, Australia and other countries.

Substantially all of the Company's revenues are realized from radiation monitoring services and other services incident to radiation dose measurement. The Company enters into agreements with customers to provide them with radiation monitoring services, generally for a twelve-month period; these agreements generally have a high degree of renewal. Relationships with customers are generally stable and recurring, and the Company provides customers with on-going services. As part of its services, the Company provides its customers with radiation detection badges that are produced and owned by the Company. The badges are worn for a period selected by the customers ("the wear period"), generally one, two, or three months in duration. At the end of the wear period, the badges are returned to the Company for analysis. The Company analyzes the badges that have been worn and provides its customers with a report indicating radiation exposures. The Company recycles certain badge components for reuse, while also producing replacement badges on a continual basis. Additional reporting and other radiation measurement and management services ("ancillary services") are provided to customers at their option.

Landauer's InLight dosimetry system, introduced in late fiscal 2003, provides smaller in-house and commercial laboratories the ability to offer a complete radiation monitoring service. The system is based on the Company's propriety OSL technology and instruments and dosimetry devices developed by Matsushita Industrial Equipment Company, and allows customers the flexibility to tailor their precise dosimetry needs. InLight services may involve a customer acquiring or leasing dosimetry detectors and reading equipment from the Company.

Landauer's operations include services for the measurement and monitoring of radon gas (referred to as "sales of radon kits") and services related to the remediation of radon gas, which require the customer to deploy a radon detector and return the detector to the Company's laboratories for dose determination and reporting. Where a customer has purchased a radon services agreement, the Company may assist with remediation services on properties where radon measurements exceed a specified threshold.

Landauer operates a mature business, and growth in numbers of customers is modest. In recent years, the Company's strategy has been to expand into new international markets, primarily by partnering with existing dosimetry service providers with a prominent local presence. In addition, the Company has been developing new platforms and formats for its OSL technology, such as InLight, to gain access to markets where the Company previously did not have a significant presence, such as smaller in-house and commercial laboratories. Revenue growth in recent years has occurred as a result of increased prices for certain services, entry into new markets through joint ventures and acquisitions, modest unit growth, and new ancillary services and products.

The services provided by the Company to its customers are ongoing and of a subscription nature. As such, revenues are recognized in the periods in which such services are rendered, irrespective of whether invoiced in advance or in arrears. Given the subscription nature of Landauer's services, quarterly revenues are fairly consistent. During the second quarter of each fiscal year, however, the Company provides additional services of reporting annual radiation dose summaries that generate increased revenues. The introduction of the Company's InLight product line may result in some variability in quarter-to-quarter revenue comparisons, given the nature of purchase cycles associated with sales of radiation dose measurement instruments and detectors.

LIQUIDITY AND CAPITAL RESOURCES

Landauer's balance sheet at March 31, 2006 remains strong with consolidated cash and equivalents at $10,381,000. Landauer's cash provided from operating activities for the six months ended March 31, 2006 and 2005 amounted to $9,481,000 and $7,197,000, respectively. The increase in cash was primarily attributable to improved collection of accounts receivable and higher depreciation expense. Investing activities included acquisitions of property, plant and equipment in the amount of $2,006,000 and $1,830,000, respectively for the six months ended March 31, 2006 and 2005. The Company's financing activities were comprised of credit facility payments and payments of cash dividends to shareholders and minority partners, offset partially by proceeds from the exercise of stock options.

The Company has long-term liabilities in the amount of $7,543,000 and $7,300,000 at March 31, 2006 and September 30, 2005, respectively, and its requirement for cash flows to support investing activities is generally limited. Capital expenditures for the balance of fiscal 2006 are expected to be approximately $3,000,000, principally for the acquisition of equipment to support the Company's InLight service line, introduction of new products, and the development of supporting software systems and computer hardware. The Company anticipates that funds for these capital improvements will be provided from operations.

As described in Note 6 to the financial statements, the Company maintains a credit facility, which expires in March 2007. The credit facility permits borrowing up to a maximum of $15,000,000. In April 2004, the Company borrowed $7,724,000 to acquire the remaining 49% minority interest in LCIE-Landauer, Ltd. At March 31, 2006 and September 30, 2005, outstanding borrowings under the credit agreement were $3,552,000 and $4,048,000, respectively. The borrowings are classified as current liabilities and are denominated in euros, which is the functional currency of LCIE-Landauer, Ltd. In the event the credit facility is not renewed at maturity, it is expected that cash on hand, cash flow from operations, and the Company's borrowing capacity will be sufficient to satisfy the obligation. In the opinion of management, cash flows from operations and the Company's borrowing capacity under its line of credit are adequate for projected operations and capital spending programs, as well as continuation of the regular cash dividend program. From time to time, the Company may have the opportunity to make investments for acquisitions or other purposes, and borrowings can be made under the credit facility to fund such investments. The Company intends to renew the credit facility prior to expiration.

Landauer requires limited working capital for its operations since many of its customers pay for services in advance. Such advance payments, reflected on the balance sheet as "Deferred Contract Revenue", amounted to $13,073,000 and $12,702,000, respectively, as of March 31, 2006 and September 30, 2005. Such amounts generally do not represent a cash requirement.

All customers are invoiced in accordance with the Company's standard terms, with payment due thirty days from date of invoice. Net accounts receivable at March 31, 2006 were $18,921,000 compared with $17,987,000 at September 30, 2005. Considering the Company's invoicing practices and that a significant portion of the Company's revenues are subject to health care industry reimbursement cycles, the average days of sales outstanding for the Company have ranged from 43 to 78 days over the course of fiscal 2005 and 2006 year to date.

The Company offers radiation monitoring services in the United Kingdom, Canada, Japan, Brazil, China, and France. The Company's operations in these markets generally do not depend on significant capital resources.

RESULTS OF OPERATIONS FOR THE QUARTER ENDED MARCH 31, 2006

Revenues for the second quarter of fiscal 2006 were $20,621,000, a 4.6% increase compared to revenues of $19,706,000 for the same quarter in fiscal 2005. Domestic radiation monitoring activities represented approximately $500,000 of revenue growth for the quarter and was largely due to higher pricing and modest unit gains, primarily to medical and nuclear power customers. Ancillary revenues, which are regularly higher in the Company's second quarter of each year as customers purchase reports summarizing prior year exposures, were moderately higher than fiscal 2005. International radiation monitoring revenue growth of more than $450,000 resulted from increased business activity in Europe, Asia and Brazil, offset by a stronger U.S. dollar. Sales of InLight products were moderately lower than a year ago.

Gross margins were 63.7% of revenues for the second quarter of fiscal 2006 compared to 63.1% reported for the same period in fiscal 2005. Aggregate costs and expenses for the quarter ended March 31, 2006, were 6.7% higher than a year ago, primarily due to a reorganization charge of approximately $600,000 for severance and employee related costs associated with the implementation of a profit improvement plan announced at the end of the first quarter, as well as higher direct materials and depreciation expense, offset by lower direct labor costs. Resulting operating income for the second quarter of fiscal 2006 was $8,034,000 compared with $7,904,000 for the same period a year ago. Excluding the $600,000 charge, operating income for the current quarter increased by $730,000, or more than 9%, compared with a year ago.

Net other income for the quarter was $128,000 higher than a year ago, reflecting higher net interest income augmented by a moderate income increase from Nagase-Landauer, Ltd. the Company's joint venture in Japan. The effective income tax rate for the second quarter of fiscal 2006 was 37.7% and comparable to the prior year at 37.3%. Resulting net income for the quarter ended March 31, 2006 amounted to $5,248,000, or $0.58 per diluted share, compared with $5,143,000, or $0.57 per diluted share, for the same quarter in fiscal 2005.

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED MARCH 31, 2006

Revenues for the first six months of the fiscal year were $39,268,000, or 3.3% higher than $38,031,000 reported for the same period in fiscal 2005. Domestic revenue growth, representing more than $900,000 of the increase, resulted from improved pricing and modestly higher volume for radiation measurement and ancillary services, primarily from traditional customers, as well as from nuclear power and emergency response customers. International radiation monitoring revenues were approximately $650,000 higher, as a result of higher pricing and increased international business activity, offset by a stronger U.S. dollar. Sales of InLight products thus far in fiscal 2006 were $300,000 lower than a year ago due to a large institutional sale in France during the first half of 2005.

Gross margins for the first half of fiscal 2006 were 62.0% of revenues, compared with 62.3% reported for the same period in fiscal 2005. Aggregate costs and expenses for the first half of fiscal 2006 were more than $1,750,000 higher than a year ago. In addition to the reorganization charge of $600,000 related to the Company's profit improvement plan, higher expenses included depreciation and amortization, employee benefits costs, professional fees, research and postage. Resulting operating income for the first half of fiscal 2006 was $14,094,000 compared with $14,624,000 a year ago. Excluding the reorganization charge of $600,000, operating income for the first half of fiscal 2006 would have been slightly higher than for the same period in fiscal 2005.

Year to date net other income was higher than a year ago primarily as a result of higher net investment income. Income tax expense for the first half of fiscal 2006 was comparable to a year ago. The effective tax rate for the current year of 37.6% compares with 37.1% for the first half of fiscal 2005. Resulting net income for the six months ended March 31, 2006 was $9,255,000, or $1.02 per diluted share, compared with $9,573,000, or $1.06 per diluted share, for the same period in fiscal 2005.

OUTLOOK FOR BALANCE OF FISCAL 2006

The Company anticipates 2006 aggregate revenue growth to be in the range of 5 - 5.5 percent. Both domestic and international revenue growth are expected to result from a mix of higher pricing, moderate unit growth and increased sales of ancillary services. Costs and operating expenses for fiscal 2006 are expected to grow at an aggregate rate of 1-2 percent on an as reported basis, or 5 - 6 percent excluding the effect of the reorganization charges in fiscal 2005, as a result of management organizational changes, and 2006, associated with the implementation of a profit improvement plan. Net other income in fiscal 2006 is anticipated to be moderately higher than the year just ended and minority interest should be somewhat higher than fiscal 2005 levels. The effective income tax rate for fiscal 2006 is expected to be comparable to 2005 at approximately 37.5 - 38 percent. Resulting net income for 2006 is anticipated to be higher by 12 - 14 percent compared with last fiscal year on an as reported basis reflecting the 2005 pre-tax reorganization charge of $2.3 million and the 2006 pre-tax profit improvement charge of $600,000. Exclusive of the reorganization charges in both years, fiscal 2006 net income is expected to be higher by 6 - 8 percent compared with fiscal 2005.

FORWARD LOOKING STATEMENTS

Certain of the statements made herein are forward-looking statements, including, without limitation, the information contained under the heading "Outlook for Balance of Fiscal 2006" and statements concerning the development and introduction of new technologies, the adaptability of OSL to new platforms and new formats (such as InLight), the usefulness of older technologies, the cost associated with the Company's business development and research efforts, the valuation of the Company's long-lived assets or business units relative to future cash flows, the anticipated results of the operations of the Company and its subsidiaries or ventures, the Company's business plans, reorganization plans and anticipated cost and expense savings, foreign exchange risks, government regulations, changes in pricing of products and services, changes in postal and delivery practices, the Company's market position, anticipated revenue and cost growth, the risks of conducting business internationally, other anticipated financial events, the effects of changing economic and competitive conditions, government regulations, accreditation requirements, assumptions used for management's estimates, and pending accounting announcements. Such assumptions may not materialize to the extent assumed and such risks and uncertainties may cause actual results to differ from anticipated results. Such risks and uncertainties may also result in changes to the Company's business plan and prospects and could create the need, from time to time, to write down the value of the assets or otherwise cause the Company to incur unanticipated expenses. Additional information may be obtained by reviewing the information set forth in Item 1A "Risk Factors" and Item 7A

"Quantitative and Qualitative Disclosures About Market Risk" and information contained in the Company's Annual Report on Form 10-K for the year ended September 30, 2005 and other reports filed by the Company, from time to time, with the SEC.

RECENT ACCOUNTING PRONOUNCEMENTS

In February 2006, the Financial Accounting Standards Board ("FASB") issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments - an amendment of FASB Statements No. 133 and 140" ("SFAS No. 155"). SFAS No. 155 allows financial instruments that contain an embedded derivative and that otherwise would require bifurcation to be accounted for as a whole on a fair value basis, at the holders' election. SFAS No. 155 also clarifies and amends certain other provisions of SFAS No. 133 and SFAS No. 140. This statement is effective for all financial instruments acquired or issued in fiscal years beginning after September 15, 2006. SFAS No. 155 will have no impact on the Company's financial position or results of operations.

In March 2006, the FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets - an amendment of FASB Statement No. 140" ("SFAS No. 156"). SFAS No. 156 provides guidance on the accounting for servicing assets and liabilities when an entity undertakes an obligation to service a financial asset by entering into a servicing contract. This statement is effective for the first fiscal year beginning after September 15, 2006. SFAS No. 156 will have no impact on the Company's financial position or results of operations.

CRITICAL ACCOUNTING POLICIES

The accounting policies followed by the Company are set forth in Item 7 of the 2005 Landauer Annual Report on Form 10-K. The Company believes that at March 31, 2006, there has been no material change to this information, except as follows:

The Company adopted SFAS 123R, "Share-Based Payment", in the first quarter of fiscal 2006, using the modified-prospective application method and the Black-Scholes option pricing model to determine the fair value for stock options issued prior to September 30, 2005. The Black-Scholes option pricing model incorporates certain assumptions, such as risk-free interest rate, expected volatility, expected dividend yield and expected life of options, in order to arrive at a fair value estimate. While the risk-free interest rate and dividend yield are less subjective assumptions, typically based on factual data derived from public sources, the expected stock-price volatility and option life assumptions require a greater level of judgment.

While the Company believes that its estimates are based on outcomes that are reasonably likely to occur, if actual results significantly differ from those estimated or if future changes are made to the Company's assumptions, the amount of recognized compensation expense could change significantly. For additional information refer to footnote 5.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risk, including changes in foreign currency exchange rates and interest rates. These risks are set forth in Item 7A of the 2005 Landauer Annual Report on Form 10-K. The Company believes there has been no material change in the information provided from the end of the preceding fiscal year through March 31, 2006.

ITEM 4. CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

As of the end of the period covered by this report, an evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") (the Company's principal executive officer and principal financial officer, respectively), of the effectiveness of the design and operation of the Company's disclosure controls and procedures as defined in Rule 13(a)-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures as of March 31, 2006 were effective.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in the Company's internal control over financial reporting that occurred during the period ended March 31, 2006 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is a party, from time to time, to various legal proceedings, lawsuits and other claims arising in the ordinary course of its business. The Company does not believe that any such litigation pending as of March 31, 2006, if adversely determined, would have a material effect on its business, financial position, results of operations, or cash flows.

ITEM 1A. RISK FACTORS

Information regarding risk factors are set forth in Item 1A of the 2005 Landauer Annual Report on Form 10-K. There have been no material changes from the risk factors previously disclosed in the Company's fiscal 2005 Form 10-K.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At its Annual Meeting held on February 9, 2006, the shareholders voted to re-elect Thomas M. White and Stephen C. Mitchell as directors, each for a term of three years. The voting for each of the nominees was as follows:

	For	Withheld
Mr. White	8,319,410	51,874
Mr. Mitchell	8,345,774	25,510

The shareholders voted to reappoint PricewaterhouseCoopers LLP as the Company's auditors for the following year, with 8,292,613 shares voting for, 57,387 shares voting against and 21,284 shares abstaining.

The additional directors for the current year are Robert J. Cronin, Michael D. Winfield, E. Gail de Planque, Gary D. Eppen, Richard R. Risk and William E. Saxelby.

ITEM 6. EXHIBITS

Exhibit 10.1 Amendment No. 1, dated December 30, 2005, to the Landauer, Inc. 1996 Equity Plan (As amended and restated through November 8, 2001)

Exhibit 10.2 Amendment No. 1, dated December 30, 2005, to the

	Landauer, Inc. Amended and Restated 1997 Non-Employee Directors Stock Option Plan
Exhibit 10.3	Amendment No. 1, dated December 30, 2005, to the Landauer, Inc. 2005 Long-Term Incentive Plan
Exhibit 31.1	Certification of William E. Saxelby, President and Chief Executive Officer, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	Certification of James M. O'Connell, Chief Financial Officer, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32.1	Certification of William E. Saxelby, President and Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 32.2	Certification of James M. O'Connell, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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.

LANDAUER, INC.

Date: May 8, 2006

/s/ James M. O'Connell

James M. O'Connell
Vice President and Treasurer
(Principal Financial and
Accounting Officer)

EXHIBIT 10.1

AMENDMENT NO. 1 TO THE LANDAUER, INC.
1996 EQUITY PLAN
(AS AMENDED AND RESTATED THROUGH NOVEMBER 8, 2001)

WHEREAS, Landauer, Inc. (the "Company") has adopted the 1996 Equity Plan, as Amended and Restated through November 8, 2001 (the "Plan"); and

WHEREAS, the Company desires to amend the Plan as set forth herein.

NOW, THEREFORE, pursuant to Section 5.2 of the Plan, the Plan hereby is amended as follows:

1. Section 5.8(a)(2) of the Plan is amended to read in its entirety as follows:

"(2) Notwithstanding any provision in this Plan or any Agreement, in the event of a Change in Control pursuant to Section (b)(1) or (2) below, or in the event of a Change in Control pursuant to Section (b)(3) or (4) below in connection with which the holders of Common Stock receive consideration other than shares of common stock that are registered under Section 12 of the Exchange Act, (i) in the case of an outstanding option or Free-Standing SAR, the Board may, in its discretion, require (A) that each outstanding option or SAR immediately become exercisable in full and if there shall be a surviving corporation in such Change in Control, or a parent corporation thereof, that shares of capital stock of such surviving corporation or parent corporation be substituted for some or all of the shares of Common Stock then subject to such option or SAR, as the case may be, and the purchase price per share of Common Stock subject to each such option, and the base price of each such SAR, shall be appropriately adjusted by the Board (whose determination shall be final, binding and conclusive), such adjustments to be made without an increase in the aggregate purchase price or base price, as the case may be, or (B) that each outstanding option or SAR shall be surrendered to the Company by the holder thereof, and each such option or SAR shall immediately be canceled by the Company, and the holder shall receive, within 10 days of the occurrence of a Change in Control, a cash payment from the Company in an amount equal to (1) in the case of an option, the number of shares of Common Stock then subject to such option, multiplied by the excess, if any, of the greater of (x) the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place or (y) the Fair Market Value of a share of Common Stock on the date of occurrence of the Change in Control, over the purchase price per share of Common Stock subject to the option, and (2) in the case of a Free-Standing SAR, the number of shares of Common Stock then subject to such SAR, multiplied by the excess, if any, of the greater of (x) the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place or (y) the Fair Market Value of a share of Common Stock on the date of occurrence of the Change in Control, over the base price of the SAR or (ii) in the case of a Restricted Stock Award or Performance Share Award, each outstanding award shall be surrendered to the Company by the holder thereof, and each such award shall immediately be canceled by the Company, and the holder shall receive, within ten days of the occurrence of a Change in Control, a cash payment from the Company in an amount equal to the number of shares of Common Stock

or the number of Performance Shares, as the case may be, then subject to such award, multiplied by the greater of (A) the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place or (B) the Fair Market Value of a share of Common Stock on the date of occurrence of the Change in Control. In the event of a Change in Control, each Tandem SAR shall be surrendered by the holder thereof and shall be canceled simultaneously with the cancellation of the related option."

In all other respects, the Plan shall remain in full force and effect in accordance with its terms.

Adopted by the Board of Directors of Landauer, Inc. on December 30, 2005.

EXHIBIT 10.2

AMENDMENT NO. 1 TO THE LANDAUER, INC.
AMENDED AND RESTATED 1997 NON-EMPLOYEE DIRECTORS STOCK OPTION PLAN

WHEREAS, Landauer, Inc. (the "Company") has adopted the Amended and Restated 1997 Non-Employee Directors Stock Option Plan (the "Plan"); and

WHEREAS, the Company desires to amend the Plan as set forth herein.

NOW, THEREFORE, pursuant to Section 3.2 of the Plan, the Plan hereby is amended as follows:

1. Section 3.7(a)(2) of the Plan is amended to read in its entirety as follows:

"(2) Notwithstanding any provision in this Plan or any Agreement, in the event of a Change in Control pursuant to Section (b)(1) or (2) below, or in the event of a Change in Control pursuant to Section (b)(3) or (4) below in connection with which the holders of Common Stock receive consideration other than shares of common stock that are registered under Section 12 of the Exchange Act, the Board may, in its discretion, require (A) that each outstanding option immediately become exercisable in full and if there shall be a surviving corporation in such Change in Control, or a parent corporation thereof, that shares of capital stock of such surviving corporation or parent corporation be substituted for some or all of the shares of Common Stock then subject to such option and the purchase price per share of Common Stock subject to each such option shall be appropriately adjusted by the Board (whose determination shall be final, binding and conclusive), such adjustments to be made without an increase in the aggregate purchase price, or (B) that each outstanding option shall be surrendered to the Company by the holder thereof, and each such option shall immediately be canceled by the Company, and the holder shall receive, within ten days of the occurrence of a Change in Control, a cash payment from the Company in an amount equal to the number of shares of Common Stock then subject to such option, multiplied by the excess, if any, of the greater of (x) the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place or (y) the Fair Market Value of a share of Common Stock on the date of occurrence of the Change in Control, over the purchase price per share of Common Stock subject to the option."

In all other respects, the Plan shall remain in full force and effect in accordance with its terms.

Adopted by the Board of Directors of Landauer, Inc. on December 30, 2005.

EXHIBIT 10.3

AMENDMENT NO. 1 TO THE LANDAUER, INC.
2005 LONG-TERM INCENTIVE PLAN

WHEREAS, Landauer, Inc. (the "Company") has adopted the 2005 Long-Term Incentive Plan (the "Plan"); and

WHEREAS, the Company desires to amend the Plan as set forth herein.

NOW, THEREFORE, pursuant to Section 6.2 of the Plan, the Plan hereby is amended as follows:

1. Section 6.8(a)(2) of the Plan is amended to read in its entirety as follows:

"(2) Notwithstanding any provision in this Plan or any Agreement, in the event of a Change in Control pursuant to Section (b)(1) or (2) below, or in the event of a Change in Control pursuant to Section (b)(3) or (4) below in connection with which the holders of Common Stock receive consideration other than shares of common stock that are registered under Section 12 of the Exchange Act, (i) in the case of an outstanding option or Free-Standing SAR, the Board may, in its discretion, require (A) that each outstanding option or SAR immediately become exercisable in full and if there shall be a surviving corporation in such Change in Control, or a parent corporation thereof, that shares of capital stock of such surviving corporation or parent corporation be substituted for some or all of the shares of Common Stock then subject to such option or SAR, as the case may be, and the purchase price per share of Common Stock subject to each such option, and the base price of each such SAR, shall be appropriately adjusted by the Board (whose determination shall be final, binding and conclusive), such adjustments to be made without an increase in the aggregate purchase price or base price, as the case may be, or (B) that each outstanding option or SAR shall be surrendered to the Company by the holder thereof, and each such option or SAR shall immediately be canceled by the Company, and the holder shall receive, within 10 days of the occurrence of a Change in Control, a cash payment from the Company in an amount equal to (1) in the case of an option, the number of shares of Common Stock then subject to such option, multiplied by the excess, if any, of the greater of (x) the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place or (y) the Fair Market Value of a share of Common Stock on the date of occurrence of the Change in Control, over the purchase price per share of Common Stock subject to the option, and (2) in the case of a Free-Standing

SAR, the number of shares of Common Stock then subject to such SAR, multiplied by the excess, if any, of the greater of (x) the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place or (y) the Fair Market Value of a share of Common Stock on the date of occurrence of the Change in Control, over the base price of the SAR, (ii) in the case of a Stock Award, each outstanding award shall be surrendered to the Company by the holder thereof, and each such award shall immediately be canceled by the Company, and the holder shall receive, within ten days of the occurrence of a Change in Control, a cash payment from the Company in an amount equal to the number of shares of Common Stock then subject to such award (calculated in the manner set forth in clause (iv) of Section 6.8(a)(1) in the case of a Performance Share Award or Performance Share Unit Award), multiplied by the greater of (A) the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place or (B) the Fair Market Value of a share of Common Stock on the date of occurrence of the Change in Control, and (iii) in the case of a Performance Unit

Award, the number of Performance Units then subject to such award, the value of which shall be calculated at the target level or, if greater, at the actual performance attained through the date of the Change in Control. In the event of a Change in Control, each Tandem SAR shall be surrendered by the holder thereof and shall be canceled simultaneously with the cancellation of the related option."

In all other respects, the Plan shall remain in full force and effect in accordance with its terms.

Adopted by the Board of Directors of Landauer, Inc. on December 30, 2005.

EXHIBIT 31.1

CERTIFICATION

I, William E. Saxelby, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Landauer, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

May 8, 2006

/s/ William E. Saxelby

William E. Saxelby
President & Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, James M. O'Connell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Landauer, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

May 8, 2006

/s/ James M. O'Connell

James M. O'Connell
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Landauer, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William E. Saxelby, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

i. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

ii. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to Landauer, Inc. and will be retained by Landauer, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ William E. Saxelby

William E. Saxelby
President & Chief Executive Officer

May 8, 2006

EXHIBIT 32.2

CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Landauer, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James M. O'Connell, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

i. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

ii. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to Landauer, Inc. and will be retained by Landauer, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ James M. O'Connell

James M. O'Connell
Chief Financial Officer

May 8, 2006