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## **puraDYN Releases 2004 Fiscal Year End Financial Results**

*- Net sales increase 30% over previous year -*

**Boynton Beach, FL – April 15, 2005 - puraDYN Filter Technologies Inc. (AMEX: PFT)** today announced financial results for the fiscal year ended December 31, 2004. Net sales for the year totaled approximately \$2.5 million as compared with approximately \$1.91 million in 2003, an increase of approximately 30%. Net loss was approximately \$3.58 million or (\$0.21) per share, basic and diluted, as compared with a net loss of approximately \$4.05 million or (\$0.26) per share, basic and diluted, in the previous year.

This increase in net sales is attributable to the addition of several new domestic and international distributors, which expanded the Company's distribution network by 22%. The company also benefited from an increase in sales to one of its largest customers, and a marked increase in sales through the OEM customer base.

Efforts to streamline operating costs were evidenced by the decrease in selling, general, administrative and salary expenses by approximately \$142,000 in 2004, a decrease of 4%. Cost of sales increased by approximately \$243,000, an increase of 10% primarily due to the 30% increase in net sales. Cost of sales did not increase proportionately to net sales due to the increased utilization of overhead and improvements in raw material sourcing.

Kevin G. Kroger, President and COO, stated, "We remain encouraged by the considerable progress shown in 2004 with regard to the acceptance of bypass oil filtration. As mentioned earlier in the year, recent test results from the U.S. Department of Energy show that the **puraDYN**<sup>®</sup> systems currently in evaluation have produced an estimated annual average savings of 80% during the first two years of its three-year test to evaluate the benefits and potential oil savings provided by the use of bypass oil filtration. While not an official endorsement, the fact that our systems are being used by the DOE as a real-world test subject has focused attention on **puraDYN** from major companies that are looking for sensible, comprehensive solutions to rising oil costs.

"Additionally, **puraDYN**<sup>®</sup> systems are now in the third phase of a five-phase process aimed at bringing new commercially available products to the U.S. Military.

"And in 2004, Miami-Dade County (Florida) again specified that **puraDYN**<sup>®</sup> systems be installed on all new equipment purchases."

Kroger commented further, "We will stay focused on the obstacles encountered in the acceptance of any new technology. These include the length of time necessary to complete evaluations and the overall acceptance of bypass oil filtration. As acceptance of this technology

continues to build traction, we expect to maximize production at our facilities, which are currently underutilized and continue to negatively impact our gross profits. We know what the challenges are and we look forward to meeting them in 2005 as we continue to aggressively and favorably position our Company in a developing marketplace.”

The Company is currently working with private investors, including current stockholders, in raising funds in the amount of approximately \$2.6 million.

As a result of these funds not being secured as of the date of filing and in light of Company’s need for additional funds in 2005 and beyond, the audit opinion of Daszkal Bolton LLP, the Company’s independent registered public accounting firm, contained a going-concern explanatory paragraph.

The American Stock Exchange rules require AMEX-listed companies to publicly announce whenever a Form 10-KSB includes an audit opinion containing a going concern explanation.

The Company’s annual report on Form 10-KSB is available from the SEC website at <http://www.sec.gov> or the ‘Investor Relations’ section of the Company’s website at <http://www.puradyn.com>.

#### About puraDYN Filter Technologies Incorporated

**puraDYN** (AMEX: PFT) designs, manufactures and markets the **puraDYN**<sup>®</sup> Bypass Oil Filtration System, the most effective filtration product on the market today. It continuously cleans lubricating oil and maintains oil viscosity to safely and significantly extend oil change intervals and engine life. Effective for internal combustion engines, transmissions and hydraulic applications, the Company’s patented and proprietary system is a cost-effective and energy-conscious solution targeting an annual \$13 billion potential industry. The Company has established aftermarket programs with several of the transportation industry leaders such as Volvo Trucks NA, Mack Trucks, PACCAR; a strategic alliance with Honeywell Consumer Products Group, producers of FRAM<sup>®</sup> filtration products; and continues to market to major commercial fleets. **puraDYN**<sup>®</sup> equipment has been certified as a ‘Pollution Prevention Technology’ by the California Environmental Protection Agency and was selected as the manufacturer used by the US Department of Energy in a three-year evaluation to research and analyze performance, benefits and cost analysis of bypass oil filtration technology.

*STATEMENTS IN THIS PRESS RELEASE WHICH ARE NOT HISTORICAL DATA ARE FORWARD-LOOKING STATEMENTS WHICH INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES OR OTHER FACTORS NOT UNDER THE COMPANY’S CONTROL, INCLUDING BUT NOT LIMITED TO THE POSSIBLE INABILITY TO RAISE CAPITAL FUNDS, LACK OF PROTECTION FROM INTELLECTUAL PROPERTY, VULNERABILITY BECAUSE OF MANUFACTURING A LIMITED NUMBER OF PRODUCTS, DEPENDENCE ON DISTRIBUTORS, ORDERS PREVIOUSLY STATED IN THIS PRESS RELEASE MAY NOT MATERIALIZE, AND THE POSSIBILITY THAT THE PRODUCTS DO NOT MEET CUSTOMERS’ NEEDS, WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM THE RESULTS, PERFORMANCE OR OTHER EXPECTATIONS IMPLIED BY THESE FORWARD-LOOKING STATEMENTS. THESE FACTORS INCLUDE, BUT ARE NOT LIMITED TO, THOSE DETAILED IN THE COMPANY’S PERIODIC FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION.*

(See following table)

Puradyn Filter Technologies Incorporated  
Consolidated Statements of Operations

	Year Ended December 31	
	2004	2003
Net sales	\$ 2,472,059	\$ 1,906,517
Costs and expenses:		
Cost of products sold	2,525,981	2,282,450
Salaries and wages	1,661,923	1,728,358
Selling and administrative	1,591,100	1,667,291
	5,779,004	5,678,099
Loss from operations	(3,306,945)	(3,771,582)
Other (expense) income:		
Interest income	53,560	51,344
Interest expense	(334,383)	(330,521)
Total other expense	(280,823)	(279,177)
Net loss	\$ (3,587,768)	\$ (4,050,759)
Basic and diluted loss per common share	\$ (0.21)	\$ (0.26)
Basic and diluted weighted average common shares outstanding	17,278,448	15,726,140

**Balance Sheet Highlights  
As of December 31 2004**

Cash and Cash Equivalents	\$ 257,210
Total stockholder's deficit	(3,127,358)

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