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puraDYN Releases 2nd Quarter Financial Results

Boynton Beach, FL – August 15, 2005 – puraDYN Filter Technologies Incorporated (AMEX: PFT) today reported results of operations for the second fiscal quarter ended June 30, 2005.

Net sales for the second quarter 2005 were \$639,000 as compared to \$627,000 for the second quarter 2004. Net sales year-to-date were \$1.237 million compared to \$1.24 million for the same period in 2004. Net sales increased 2% for the second quarter of 2005 and are virtually the same for year to date for the comparable period in 2004.

The Company reported a net loss of \$723,000 or (\$0.04) per share, basic and diluted, for the quarter ended June 30, 2005, compared to a net loss of \$822,000 or (\$0.05) per share, basic and diluted, for the same period in 2004. Basic and diluted weighted average shares used in the calculation for the three-months ended 2005 and 2004 were 18,991,477 and 17,452,164, respectively.

Cost of products sold decreased by approximately 2%, or \$13,000, to \$633,000 in 2005 from \$646,000 in the second quarter 2004. Cost of products sold year-to-date also decreased by approximately 1%, or \$18,000, to \$1.26 million in 2005 from \$1.28 million in 2004. This decrease is primarily due to improvements in raw material sourcing.

In addition, sales generated by the Company's subsidiary in the United Kingdom decreased by 9%, to approximately \$402,000 for the six-month period ended June 30, 2005 from \$443,000 for the same period in 2004. The major cause for reduced sales from the subsidiary was due primarily to a change in product mix. One of the subsidiary's major accounts lost its contract to supply generators to the local mobile telephone company. Even though the subsidiary has been awarded other contracts for similar volumes from new customers, the product mix has been for smaller-sized systems.

Kevin G. Kroger, President and COO, stated, "Many of the projects we have been concentrating on the past couple of years are slowly beginning to produce results, such as the evaluations we've been conducting with the Federal government and the addition of a couple of Detroit Diesel-Allison distributors to our distribution network, as well as some major inroads we've been able to make in the construction industry. The energy bill recently signed into legislation by the President specifically mentions bypass oil filtration as a technology worth evaluating, something the US Department of Energy has been doing, using our product, for almost three years. These results, posted by the US DOE, have initiated inquiries into how bypass oil filtration can help reduce its maintenance costs. Between this research and the price of oil escalating on a daily basis, we're already having companies come back to us to take a second and third look at what our technology can do for their bottom line."

As reported earlier in the year, the Board of Directors voted to voluntarily delist the Company's common stock from trading on the American Stock Exchange and have applied to the Securities and Exchange Commission to trade on the OTCBB. The announcement will be made shortly as to the effective date and the new symbol under which the Company will be traded.

About puraDYN Filter Technologies Incorporated

puraDYN (AMEX: PFT) designs, manufactures and markets the **puraDYN**[®] 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[®] filtration products; and continues to market to major commercial fleets. **puraDYN**[®] 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.

Puradyn Filter Technologies Incorporated
Condensed Consolidated Statements of Operations
For the Three Months and Six Months Ended June 30, 2005 and 2004
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Net sales	639,090	\$ 627,320	1,236,783	\$ 1,240,724
Costs and expenses:				
Cost of products sold	632,640	645,586	1,257,155	1,275,252
Salaries and wages	339,382	403,283	707,899	812,269
Selling and administrative	325,184	380,020	684,833	774,195
Stock based compensation	(34,263)	(33,881)	(68,478)	237,222
	<u>1,262,943</u>	<u>1,395,008</u>	<u>2,581,409</u>	<u>3,098,938</u>
Loss from operations	(623,853)	(767,688)	(1,344,626)	(1,858,214)
Other income (expense):				
Interest income	13,098	12,995	25,765	27,134
Interest expense	(112,436)	(67,618)	(226,078)	(155,635)
Total other expense, net	<u>(99,338)</u>	<u>(54,623)</u>	<u>(200,313)</u>	<u>(128,501)</u>
Net loss	<u>(723,191)</u>	<u>\$ (822,311)</u>	<u>(1,544,939)</u>	<u>\$ (1,986,715)</u>
Basic and diluted loss per common share	<u>(.04)</u>	<u>\$ (0.05)</u>	<u>(.08)</u>	<u>\$ (.12)</u>
Weighted average common shares outstanding	<u>18,991,477</u>	<u>17,452,164</u>	<u>18,227,542</u>	<u>17,102,823</u>

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