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puraDYN Releases 2003 Financial Results

Boynton Beach, FL – March 30, 2004 - puraDYN Filter Technologies Incorporated (AMEX: PFT), the global bypass oil filtration system company, today announced financial results for the year ended December 31, 2003. Net sales for the year totaled approximately \$1.91 million as compared with approximately \$2.14 million in 2002, a decrease of approximately 11%. In addition, in 2003, the net loss was approximately \$4.05 million or (\$0.26) per share, basic and diluted, as compared with a net loss of approximately \$3.52 million or (\$0.23) per share, basic and diluted, in the previous year.

puraDYN's President and Chief Operating Officer Kevin G. Kroger commented, "Sales did not develop in 2003 as anticipated. One of our significant customers completed acquisitions of competitive companies, leading, over the past year, to the integration of newly acquired equipment into their existing fleet. During this transition, they experienced reduced demand for new fleet equipment purchases, which in turn reduced demand for our bypass filtration systems. This, combined with the uncertainty in the Middle East that affected our sales in that region, were the primary reasons for the shortfall. In light of these circumstances, we have successfully reduced operating expenses (excluding the variable effects of non-cash stock-based compensation) and controlled cash burn without jeopardizing product quality or customer satisfaction.

"By remaining focused on our long-term growth strategies throughout the year, we made some significant strides towards future growth. These included:

- Announcement by an OEM (original equipment manufacturer) of custom-crafted emergency fire and rescue response vehicles that it will install our system as standard on its line of premium chassis;
- A record number of evaluations undertaken by engine and truck manufacturers, indicating the increased awareness and importance of bypass oil filtration;
- ISO 9001:2000 certification which not only demonstrates the high standards we set for ourselves, but also represents the tangible commitment to quality assurance, reliability, safety and efficiency expected from us by our customers;
- Re-certification by the California Environmental Protection Agency for the **puraDYN**[®] systems as a 'Pollution Prevention' technology. **puraDYN** remains the only manufacturer of bypass oil filtration systems to receive this designation with initial certification in 1994 and re-certifications in 1998 and 2003."

Kroger added, "In 2003 we were selected by a major equipment rental company as a Strategic Supplier. Even though sales have not materialized as quickly as anticipated, we continue to make progress at this company's branches in selling systems both for retrofit and factory installation."

Kroger continued, "In order to expand our growth, we continue to concentrate our efforts on key market segments including, but not limited to, the Class 3-8 truck and industrial/construction markets as well as to focus on further expansion of our distribution network and existing strategic relationships."

Mr. Kroger concluded, "The Company has received gross cash proceeds of \$3.5 million (\$1.5 million in December 2003 and \$2.0 million in March 2004) through its private placement offering. This financing will provide us flexibility as we execute targeted opportunities laid out in our business plan. The plan is designed to develop consistent financial performance and profitability, including recurring revenue."

The **puraDYN**[®] bypass oil filtration systems work with the full flow filter to reduce solid contaminants in engine oil to below one micron with the use of its patent-pending CGP[®] filter element; to evaporate liquid contaminants; and to replenish the base additives so as to maintain the proper total base number (TBN) and viscosity of the oil. By maintaining continuously clean oil, oil drain intervals are significantly and safely extended thus reducing new oil purchases and waste oil disposal costs.

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 operating in 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.

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
Consolidated Statements of Operations

	Year Ended December 31	
	2003	2002
Net sales	\$ 1,906,517	\$ 2,137,118
Costs and expenses:		
Cost of products sold	2,282,450	2,058,439
Salaries and wages	1,728,358	1,871,723
Selling and administrative	1,667,291	1,522,337
	5,678,099	5,452,499
Loss from operations	(3,771,582)	(3,315,381)
Other (expense) income:		
Investment loss	--	(22,406)
Interest income	51,344	52,553
Interest expense	(330,521)	(230,482)
Total other (expense) income	(279,177)	(200,335)
Net loss	\$ (4,050,759)	\$ (3,515,716)
Basic and diluted loss per common share	\$ (0.26)	\$ (0.23)
Weighted average common shares outstanding	15,726,140	15,588,539

Balance Sheet Highlights
As of December 31, 2003

Cash and cash equivalents	\$ 1,394,830
Total stockholders' deficit	(1,662,085)