



CONTACT:

Kathryn Morris, Puradyn  
Director, Corporate Communications  
(T) 561 547 9499, x 226  
[investor-relations@puradyn.com](mailto:investor-relations@puradyn.com)  
<http://www.puradyn.com>

## Puradyn Releases 2007 1<sup>st</sup> Quarter Financial Results

**Boynton Beach, FL - May 14, 2007 - Puradyn Filter Technologies Incorporated** (OTCBB: PFTI), the global bypass oil filtration system manufacturer, today reported results of operations for the first fiscal quarter ended March 31, 2007.

Net sales for the first quarter ended March 31, 2007 were approximately \$766,000 compared to approximately \$823,000 for the same period in 2006, a decrease of approximately 7%.

The Company reported a net loss of approximately \$711,000 or (\$0.03) per share, basic and diluted, for the quarter ended March 31, 2007, compared to a net loss of approximately \$550,000 or (\$0.02) per share, basic and diluted, for the same period in 2006.

Operating losses increased by approximately \$78,000 or 18%, in the first quarter of 2007 as compared to the same time period in 2006. Cost of sales increased by approximately 5%, from \$615,000 in 2006 to \$648,000 in 2007.

Kevin G. Kroger, President and COO, said, "While this quarter wasn't as strong as we would have hoped, much of the business we were expecting did not begin to develop until after the close of the first quarter. Many companies are endorsing 'green' technologies and are beginning to realize that our bypass oil filtration technology can not only significantly reduce their operating costs and reduce our dependence on foreign oil, but can go a long way in reducing their environmental footprint.

"Our recent announcement with Wastequip, Inc. to be our exclusive distributor of the **puraDYN** oil filtration system in the waste industry is yet another validation of our system's performance in helping to reduce operating costs and significantly and safely extend oil drain intervals. Wastequip is the leading manufacturer of waste handling, recycling, and material handling equipment and we couldn't be more pleased about our new relationship with a company of this standing.

"In January of this year, President Bush signed Executive Order (EO) 13423 which calls for all federal fleets to reduce their total consumption of petroleum products by 2% annually through the end of fiscal year 2015. During recent conversations with the U.S. Department of Energy (DOE), they calculated the implementation of our bypass oil filtration technology alone will help to contribute at least 25% to the EO's 2% annual goal. This calculation is based on test results from the DOE's three-year study of bypass oil filtration that showed the use of our technology can reduce engine oil usage for oil changes by 89%. It does not include any fuel savings, which customers indicate can be from 2-3% due to a continuously clean engine, a fact evidenced by studies performed by leading oil industry experts. We believe it's safe to say we can significantly assist all federal fleets in meeting their goal."

Kroger concluded, "It appears the cost of oil is not going to decrease anytime soon. Unlike fuel prices that fluctuate continuously, lubricating oil prices over the past couple of years have steadily increased at a rather strong rate. The movement in the industry to reduce oil (and subsequent waste oil generation) and fuel consumption is here to stay. More companies are looking for technology that will help them meet their commitments to this mission, and we stand ready to help in this endeavor."

The Company's quarterly report on Form 10-QSB is available from the SEC website at <http://www.sec.gov> or the Investor Relations sections of the Company's website at <http://www.puradyn.com/>.

### **About Puradyn Filter Technologies Incorporated**

Puradyn (OTCBB: PFTI) 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 \$15 billion potential industry. **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.*

Puradyn Filter Technologies Incorporated  
Condensed Consolidated Statements of Operations  
For the Three Months Ended March 31, 2007 and 2006  
(Unaudited)

	Three Months Ended March 31,	
	2007	2006
Net sales	\$ 766,198	\$ 822,743
Costs and expenses:		
Cost of products sold	647,972	615,377
Salaries and wages	260,805	335,430
Selling and administrative	368,171	304,765
	1,276,948	1,255,572
Loss from operations	(510,750)	(432,829)
Other income (expense):		
Interest income	(12,470)	12,295
Interest expense	(212,633)	(129,212)
Total other income (expense)	(200,163)	(116,917)
Net loss before income tax expense	(710,913)	(549,746)
Income tax expense	-	-
Net loss	\$ (710,913)	\$ (549,746)
Basic and diluted loss per common share	\$ (0.03)	\$ (0.02)
Weighted average common shares outstanding	27,386,352	23,776,654

See accompanying notes to consolidated financial statements included in the Company's 10-QSB.