

Science Dynamics Announces Completion of Key Acquisition and EBITDA-Positive First Quarter

PENNSAUKEN, N.J., July 17, 2003 /PRNewswire/ -- Science Dynamics Corporation, (OTCBB: SIDY), a leading developer of advanced telecommunications solutions, announces that its subsidiary, M3 Acquisition Corp. (M3) has acquired certain business assets and liabilities of Modern Mass Media, Inc. (MMM), based in Florham Park, NJ. Combined audited financials for 2002 and unaudited pro forma financials for the first quarter 2003 were recently released as part of a Form 8-K/A filing that outlines the terms and conditions of the acquisition.

The pro forma results for the first quarter reflect the strength of the combined company. Highlights include total sales of \$1,616,169 and an EBITDA of \$25,960. The combined financials show a total loss of \$85,842 for the quarter. However, this figure includes \$71,106 in depreciation costs.

“We are excited to officially complete this acquisition. Over the next several months, we will focus on accelerating revenue growth and increasing shareholder value over the long term.” stated Alan Bashforth, CEO and President of Science Dynamics. “With the first quarter pro forma results showing a positive EBITDA, we believe we are now on track to becoming profitable.”

About Science Dynamics Corporation

Headquartered in Pennsauken, New Jersey, Science Dynamics Corporation is a developer of telecommunications solutions. The Company's IP telephony products enable the seamless connection between traditional circuit switch-based networks and the next generation of packet-based networks. Products include: The IntegratorC-2000(R) series of IP Telephony Gateways, the Commander Call Control System, the MinuteMan Calling Card/Billing System and the VFX-200 series of Video over Frame Relay devices. For more information, please visit Science Dynamics' website at <http://www.scidyn.com>.

About Modern Mass Media, Inc.

MMM is a leading East Coast provider of audio/visual services to a wide range of corporate and government clients. In addition to its corporate headquarters in Florham Park, NJ, the company has a branch office in Jersey City, NJ (serving New York). For more information, please visit MMM's website at <http://www.mmmusa.com>.

The Company is making this statement in order to satisfy the “safe harbor” provisions contained in the Private Securities Litigation Reform Act of 1995. This press release includes forward-looking statements relating to the business of the Company. Forward-looking statements contained herein or in other statements made by the Company are made based on management's expectations and beliefs concerning future events impacting the Company and are subject to risks, uncertainties and factors relating to the other factors, which Company's operations and business environment, all of which are difficult to predict and many of which are beyond the control of the Company, that could cause actual results of the Company to differ materially from those set forth above and elsewhere in the Annual Report. The Company may encounter competitive, technological, and financial and business challenges making it more difficult to market its products and services, the impact of which may in matters expressed in or implied by forward-looking statements. The Company believes that the following factors, among others, could in turn affect the Company's results of operations and financial position, affect its future performance and cause actual results of the Company to differ materially from those expressed in or implied by forward-looking statements made by or on behalf of the Company: (a) the effect of technological changes; (b) increases in or unexpected losses; (c) increased competition; (d) fluctuations in the costs to operate the business; (e) uninsurable risks; and (f) general economic conditions.

For investor information, please contact Wayne Jenkins of IR Specialists, Inc., at 401-615-0438 or wjenkins@irspecialists.com.

Pro Forma Combined Statements of Operations
March 31, 2003

	Science Dynamics	Modern Mass Media		
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Adjustments</u>	<u>Combined</u>
NET SALES	<u>\$476,297</u>	<u>\$ 1,139,872</u>	<u> </u>	<u>\$ 1,616,169</u>
Operating costs and expenses:				
Cost of sales	72,807	616,159		688,966
Research and development	121,740			121,740
Selling, general and administrative	<u>279,142</u>	<u>484,111</u>	<u>16,250</u> ^(F)	<u>779,503</u>
	<u>473,689</u>	<u>1,100,270</u>	<u>16,250</u>	<u>1,590,209</u>
EBITDA	<u>\$ 2,608</u>	<u>\$ 39,602</u>	<u>\$ (16,250)</u>	<u>\$ 25,960</u>
Depreciation	(64,856)	(4,571)	(1,679) ^(D)	(71,106)
Other income (expenses):				
Interest Income		4,917		4,917
Miscellaneous Income		2,577		2,577
Interest expense	(24,106)	(1,200)	(3,252) ^(F)	(28,558)
Finance Expense	<u>(18,633)</u>	<u> </u>	<u> </u>	<u>(18,633)</u>
	<u>\$ (104,987)</u>	<u>\$ 41,325</u>	<u>\$ (21,181)</u>	<u>\$ (84,842)</u>
Income Tax		1,000		1,000
Net Income/Loss After Tax	<u>\$ (104,987)</u>	<u>\$ 40,325</u>	<u>\$ (21,181)</u>	<u>\$ (85,842)</u>

Science Dynamics Corporation, Inc. and Subsidiaries
Notes to Unaudited Pro Forma Combined Financial Statements

- (d) Represents the recalculation of depreciation expense as a result of the fair market value of the fixed assets to be depreciated on the straight-line method over three years.
- (f) Represents the additional income of the Seller under the employment agreement entered into as part of the transaction and the additional interest expense for the Laurus Master Fund, Ltd. convertible note calculated using the prime rate plus one.