



FOR IMMEDIATE RELEASE

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Science Dynamics Corporation Reports Third Quarter 2000 Results

Net Sales Represent a 163% Increase Over the Third Quarter of 1999

Cherry Hill, NJ – (November 6, 2000) -- Science Dynamics Corporation (NASDAQ:SIDY), a leading developer of Internet Protocol-based (IP) telephony solutions and services, announced today financial results for the third quarter ended September 30, 2000.

During the third quarter net sales totaled \$ 1,630,402, representing a 163 percent increase compared to sales of \$620,335 in the third quarter of 1999. For the nine months ended September 30, 2000, total sales reached \$5,178,155, a 183 percent increase over sales of \$1,828,559 in the corresponding period of 1999. Operating income for the third quarter of 2000 was \$7,497 compared with a total operating loss of \$513,974 in the third quarter of 1999. Total operating income for the first nine months of 2000 totaled \$335,370 compared to an operating loss of \$1,370,752 during the same period in fiscal 1999. The company generated net income of \$18,201 breaking even at \$0.00 per share in the third quarter of 2000, compared with a net loss of \$515,797 or (0.03) per share, one year ago. Net income for the first nine months of this year totals \$354,512 or \$0.02 per share, compared with a net loss of \$1,379,480, or \$(0.08) per share for the corresponding nine-month period in 1999.

Joy Hartman, President, commented that “Overall, we remain pleased with our continued momentum, as well as both our year over year and year-to-date sales and earnings growth. We are making strides to diversify our sales channels and revenue streams as we move forward - this is underscored by our announcements during the quarter of a new Vice President of Sales coupled with an increased global sales force, as well as our agreement with Telecommunications & Security Systems Limited to distribute our products in the Asia Pacific region. Hartman continued, “We will continue to address the need to expand our sales channels, in addition to pursuing additional opportunities to distribute our products globally. Furthermore, we remain focused on investing in our internal organization, our technology, and the branding efforts of our products. We are committed to our vision and quest to be a competitive global player in the VoIP marketplace, and to our goal of becoming the ‘Voice of IP Telephony’.”

A summary of highlights of the quarter include:

SciDyn’s Common Stock listed on NASDAQ SmallCap Market

On September 20, SciDyn announced that its common stock was re-listed for trading on the NASDAQ SmallCap Market. The NASDAQ is the world’s first electronic stock market, with the SmallCap Market comprising over 1,800 individual emerging growth companies. According to Rob O’Connor, CFO of SciDyn, “The

growth of the Telecommunications sector and the IP telephony industry continues to fuel interest in companies like SciDyn, and our listing on the NASDAQ SmallCap Market opens a valuable avenue to and increased visibility among institutional investors and mainstream analysts.”

Two Additional Board Members Appointed

SciDyn announced the appointments of John Innes and L. Michael Hone to the company’s Board of Directors on October 12. Innes, is founder and Chairman of ACH Processing, is an Attorney, has served as an Investment Banker, and on the Boards of Directors of a number of public and private companies. L. Michael Hone, serves as president and CEO of Centennial Technologies, Inc. and as a Director to a variety of companies and organizations. Commenting on the appointments, Joy Hartman stated, “We are truly pleased about the addition of these two seasoned professionals to our Board. The announcement is concurrent with an exciting time of growth and repositioning for the company, and we look forward to being able to leverage the experience and depth of expertise of both John Innes and L. Michael Hone, as we continue to recognize our strategic growth initiatives.”

Joseph A. Geigerich Appointed as Vice President of Sales

On October 17, SciDyn announced the appointment of Joseph A. Geigerich as Vice President of Sales in conjunction with the strengthening of its global sales force. Geigerich is responsible for formulating the company’s worldwide sales and marketing strategies, and oversees the efforts of the company’s recently expanded sales team. According to Joy Hartman, “We are extremely pleased about the addition of Joe to the team at SciDyn. He is a seasoned professional with strong demonstrated expertise and experience in the areas of business development and sales, that can be leveraged here at SciDyn as we continue to focus on increased sales efforts and the strengthening of our business as we move forward.”

SciDyn Expands Asia Pacific Sales Channel

On October 30, the company announced that an agreement had been signed with Hong Kong-based Telecommunications & Security Systems Limited (“TSSL”), to distribute SciDyn’s Intelligent Integrator series of IP Telephony Gateways. According to the terms of the agreement, TSSL will distribute the Gateway products for use in projects in China, the Philippines, and Malaysia. Commenting on the agreement, Joy Hartman noted, “We are pleased to be joining forces with TSSL, and we are excited about the increased visibility that the agreement will provide for both our products and the company within the Asia Pacific marketplace.

Headquartered in Cherry Hill, New Jersey, Science Dynamics Corporation (SciDyn) is a leading developer of telecommunications solutions. SciDyn’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 Intelligent Integrator Series of IP Telephony Gateways, the Commander II Inmate Control phone system (also based on the IntegratorC-2000® architecture), and the VFX-250 series of Video over Frame Relay Access Devices (FRADs). For more information, visit Science Dynamics’ website at <http://www.SciDyn.com>.

Except for the historical information contained herein, this news release contains forward looking statements that involve risks and uncertainties, including the impact of the competitive products and pricing and general economic conditions as they affect the Company's customers. Actual results and developments may therefore differ materially from those described in this release.

Financial Tables Follow...

**SCIENCE DYNAMICS CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)**

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements (Continued):

	Nine Months Ended September 30,		Three Months Ended September 30,	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
NET SALES	\$ 5,178,155	\$ 1,828,559	\$ 1,630,402	\$ 620,335
Operating costs and expenses:				
Cost of sales	1,807,158	881,072	522,886	447,124
Research and development	833,935	914,677	307,402	298,904
Selling, general and administrative	<u>2,201,692</u>	<u>1,403,562</u>	<u>792,617</u>	<u>388,281</u>
	<u>4,842,785</u>	<u>3,199,311</u>	<u>1,622,905</u>	<u>1,134,309</u>
Operating income (loss)	335,370	(1,370,752)	7,497	(513,974)
Other (expenses):				
Interest income	22,044	-	13,606	-
Interest expense	<u>(2,902)</u>	<u>(8,728)</u>	<u>(2,902)</u>	<u>(1,823)</u>
Net income (loss)	<u>354,512</u>	<u>\$ (1,379,480)</u>	<u>18,201</u>	<u>\$ (515,797)</u>
Net income (loss) per common share	<u>\$ 0.02</u>	<u>\$ (0.08)</u>	<u>\$ 0.00</u>	<u>\$ (0.03)</u>