



News Release

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RANDOMIZED CONTROLLED CLINICAL TRIAL SHOWS DERMA SCIENCES MEDIHONEY™ ERADICATES MRSA FROM CHRONIC VENOUS ULCERS

70% Elimination Of The Deadly Superbug Provides Hope For Global Caregivers

PRINCETON, NJ – June 17, 2008 . . . Derma Sciences (OTC Bulletin Board: DSCI), a provider of advanced wound care products, announced today that its key product, MEDIHONEY™ Wound & Burn Dressing with Active *Leptospermum* Honey, has been found in a large randomized controlled clinical trial to significantly reduce the presence of methicillin-resistant *Staphylococcus aureus* (MRSA) in chronic wounds. The finding was published in the June 2008 issue of The Journal of Wound Care.

MRSA continues to dominate global headlines as a formidable hospital-acquired infection, killing thousands of patients each year and becoming a huge burden on healthcare costs. The number of hospital admissions for MRSA has increased rapidly over the last decade, with a 300% increase in 2005 over that of 2000, and a 1000% increase over that of 1995. Conservative estimates suggest a global figure of up to 53 million people carrying MRSA. The bacteria is resistant to such common antibiotics as methicillin, amoxicillin, penicillin, and oxacillin, and is quick to adapt to new ones. Historically, MRSA has been most common among people with weak immune systems living in either hospitals or long-term care centers. However, it has been increasingly present in healthy people, giving rise to community-acquired MRSA.

Commenting on the publication, CEO Ed Quilty stated, “This study was presented last year at the European Wound Management Association, and we are pleased that the work has been recognized in such a well-regarded peer reviewed wound care journal serving the global market. MRSA, which is now reaching out beyond the walls of hospitals and nursing homes into the general community, claims more lives than AIDS in certain countries. MEDIHONEY’s ability to eradicate this superbug, while also helping chronic wounds to progress towards healing, makes it a truly unique product in the field of wound care. We, along with our global commercialization partner Comvita, have seen steady growth in interest and sales in the product line since its launch.”

The trial, a 108-patient randomized and controlled clinical trial, looked at venous leg ulcers that had been proven to be non-healing under standard treatment (compression therapy). In the study, half the patients had a common advanced wound care gel added to the standard treatment, and half had Comvita’s Active *Leptospermum* (Manuka) Honey (now marketed under the brand name MEDIHONEY™) added. After four weeks, 70% of the MEDIHONEY treated wounds versus only 16% of the hydrogel treated wounds had MRSA eradicated.

Published in this month’s Journal of Wound Care, the research paper “Bacteriological Changes in Sloughy Venous Leg Ulcers Treated with Manuka Honey or Hydrogel: an RCT,” was written by lead investigators Georgina T. Gethin and Seamus Cowman, both of the Royal College of Surgeons in Ireland. They concluded that for sloughy venous ulcers, “the efficacy of honey in eliminating MRSA in such wounds is a positive finding that may have implications for wound management and infection control.”

Wound care is a major healthcare market with an estimated value of \$10 billion in 2007, and is predicted to grow to \$12.5 billion in 2012. The global double-digit growth is being driven by several factors, including an aging population, the rise in the global incidence of diabetes and chronic vascular disorders, and a steady advancement in wound care technologies. The advanced wound care segment encompasses a wide range of disparate technologies that includes dressings and other devices. The three main categories for dressings are: Traditional wound care such as gauze, moist wound dressings designed to manage basic moisture issues, and active dressings which incorporate technologies that provide additional benefits such as antimicrobial activity. The active category is the fastest growing among the three. A recent market research report by Kalorama Information details the emergence of honey-based dressings as a growing sub-category within active dressings.

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About Derma Sciences

Derma Sciences is a global manufacturer and marketer of advanced wound-care products. Its key product, MEDIHONEY, is sold throughout the world by Derma Sciences and Comvita New Zealand -- the licensor of the patented honey-based technology -- and is the leading brand of honey-based dressings for the management of wounds and burns. The product has been shown to be effective in a variety of wounds and burns, and was recently the focus of a large-scale randomized controlled trial on leg ulcers. Derma has two products in development: the NIMBUS technology based line of barrier gauze dressings, and DSC127, the company's novel angiotensin analog for accelerated wound healing and scar reduction. The barrier technology was licensed from Quick-Med in Q1 of 2007 and is pending its initial FDA marketing clearance. DSC127 was licensed from The University of Southern California in Q4 of 2007 and is entering into a Phase II study, with anticipated initial patient enrollment to begin in Q3 of 2008. For more information about Derma Sciences, Inc., visit its home page on the Internet at www.dermasciences.com.

About the Journal of Wound Care (JWC)

JWC is the definitive wound-care journal and the leading source of tissue viability research and clinical information. Launched in 1992, it is designed to meet the needs of the multidisciplinary team. The journal is essential reading for all wound-care specialists - nurses, doctors and researchers - who are keen to keep up-to-date with all developments in wound management and tissue viability, but also appeals to generalists wishing to enhance their practice. JWC is internationally renowned for its cutting edge and state-of-the-art research and practice articles. The journal also covers management, education and novel therapies. Articles are rigorously peer-reviewed by a panel of international experts. www.journalofwoundcare.com.

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